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**INFLUENCE OF HRM PRACTICES AND WORK-LIFE BALANCE ON  
EMPLOYEES' PERFORMANCE IN RETAIL INDUSTRY**

**By**

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## ABSTRACT

This study examines the influence of human resources management (HRM) practices and work-life balance on employees' performance in retail industry. In this study, two HRM practices (training and development and compensation and benefits) and work-life balance were tested against employees' performance. A total of 326 respondents from branches of selected a retail store at the northern state of Malaysia in Penang, Bukit Mertajam and Alor Setar are taken as samples. Instruments are taken from valid and reliable sources. Statistical Package for Social Science (SPSS) version 25 was used to analyze the data gathered through questionnaire. The objective of this study was achieved using regression analysis whereby the results are also presented using descriptive, reliability and correlation statistics. Findings reveal training and development, compensation and benefits and work-life balance were positively related to employees' performance. Suggestions are made for future study on ways to increase employees' performance among the employees.

Keywords: HRM practices, work-life balance, employees' performance, retail industry.

## ABSTRAK

Kajian ini melihat amalan pengurusan sumber manusia dan keseimbangan kerja terhadap prestasi pekerja dalam industri peruncitan. Dalam kajian ini, dua amalan pengurusan sumber manusia (latihan dan pembangunan dan pampasan dan faedah) dan keseimbangan kerja diuji terhadap prestasi pekerja. Seramai 326 responden dipilih dari tiga cawangan sebuah peruncit di utara Malaysia iaitu di Pulau Pinang, Bukit Mertajam dan Alor Setar sebagai sampel. Instrumen yang digunakan adalah daripada sumber yang sah dan mempunyai kebolehpercayaan yang tinggi. "Statistical Package for Social Science" (SPSS) versi 25 digunakan untuk menganalisa data yang telah dikumpul melalui soal selidik. Objektif kajian ini terjawab dengan menggunakan analisis regresi. Keputusan dibentangkan dengan menggunakan statistik deskriptif, reliabiliti dan korelasi. Latihan dan pembangunan, pampasan dan manfaat dan keseimbangan kerja mempunyai hubungan positif dengan prestasi pekerja. Cadangan dibuat untuk penyelidikan masa hadapan terhadap cara-cara untuk meningkatkan prestasi pekerja di kalangan pekerja.

Kata-kata: amalan sumber manusia, keseimbangan kerja, prestasi pekerja, industri peruncitan

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## LIST OF ABBREVIATIONS

HRM	Human Resource Management
RGM	Retail Group Malaysia
KSAOS	Knowledge, Skill, Ability, and Other Characteristics
MOHR	Ministry of Human Resource
SPSS	Statistical Package for The Social Science



## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

Generally, an organization is capable to positioned themselves in the industry by improving their products and services compare to other organizations (Salah, 2016). However, human resource are the main resource that could not be effortlessly substitute and alternate as employees might only be extra functionality and carry out wonderful if they are positioned in an appropriate role (Nabi, Syduzzaman, & Munir, 2016). Other than that, employees are considered as a crucial 'equipment' to assist the organization to obtain the organizational goals (Hassan, 2016). Employees being as key element in achieving the organization's goal, therefore they should sustain the competitive advantage by improving performance towards their job (Sheikh, Naveed, & Khan, 2016). In the line with that, human resource practices would be most important aspect that impact the performance of employees in an organization (Pradhan & Jena, 2017). Additionally, work-life balance also has a major importance in order to maximize the employees' performance in an organization (Sheikh, Naveed, & Khan, 2016).

According to Nabi et al. (2016), many studies have been conducted on human resource practices, work-life balance and employees' performance in sectors, for example education, hospitality, engineering, telecommunication, public and private sectors . This is because, human resource practices( training and development, compensation and benefits) and concept of work-life balance are important factors that make the employees being more

responsible on their job in industries such as manufacturing, hospitality, healthcare and retailing (Hassan, 2016). To be more specific, according to Rahman and Kakakhel (2014) employees that work in retail industry have more challenges and duties to perform well rather than in other industries because they are more responsible for fulfilling the final customers' needs. This is because, they are responsible to show better performance to rise the profit and increase the growth of company. In retailing, the employees' performances normally depend on the service quality given to final customers. So, the employees are also the main element which influence the organization's reputation hooked on customers' mind over employees' attitudes, behaviors and actions.

According to Retail Group Malaysia (RGM) (2018), Malaysia's gross domestic income in 2017 increased by 9.9% which was RM 1353.4 billion for the service industry. Based on the RGM (2018), retailing is one of the major parts in service industry growth which represents 60% of the overall service industry revenue. According to RGM, there are many big retailers in the retail sectors such as Tesco, Giant, Mydin, Courts and others retailers which have more 20 outlets in Malaysia that also registered under Retail Group Malaysia (RGM, 2018). This situation exhibited that heavy competition occurs in Malaysian retail industry. Customers are willing to buy a product or service with the business which have extra attraction of service quality. The service quality towards the customers actually represent the performance of employees and growth of company (Gyamfi, 2015). Therefore, retail businesses should sustain the service quality and employees' performance in order to maintain the growth of organization (Khan & Saeed, 2017). Thus, employees' performance is important to sustain and maintain the growth of retail sector in service industry and compete with other retail businesses (Sattar, Ahmad, & Hassan, 2015).



In line with that, one of the popular retail stores in Malaysia is the target for this study and named as Retail Store X. For confidential purpose, the name of the targeted retail store cannot be established without the management permission. The Retail Store X is a popular and highlighted retail store compared to other top retail stores in Malaysia. The reason of choosing the Retail Store X is because the organization is facing performance problems of employees in its subsidiaries at northern region of Malaysia. The Retail Store X wants to improve employees' performance in those subsidiaries so the study is conducted to examine the influence of HRM practices (training and development, compensation and benefits) and work-life balance on employees' performance in its subsidiaries. In addition, the Retail Store X's subsidiaries include departments such as sales, admin, finance and human resource departments which is the targeted respondents for this research. The reason for choosing staffs from those department is because they have poor performance at the workplace. Therefore, the study is conducted to determine the influence of training and development, compensation and benefits and work-life balance on employees' performance in retail industry.

## **1.2 Problem Statement**

According to Jibrin, Majid, Joarder, and Ismail (2018), the issue that most of the organizations faced is employees' performance problems due to HRM practices (training and development and compensation and benefits) and work-life balance that stimulate the workers to perform bad or good on their work. A retail business's growth is led by employees' performance in accordance of achieving the organization's goals (Fulmer & Ployhart, 2015). Therefore, HRM practices and work-life balance have become a force that

helps the organization to achieve targeted goals which gives long-term benefits such as high productivity through employees' performance. HRM practices and work-life balance are valued resource that provide a positive effect on business and it sustain and support the company's growth as well (Hee & Jing, 2018). This is because the implementation of HRM practices (training and development and compensation and benefits) and work-life balance would enhance the knowledge, skills, motivation to work, and time management of an employee, which finally improve their performance.

According to Pasban and Nojehdeh (2016), employees show poor performance due to lack of job knowledge and skills, meaning that the management fails to train their employees about their task in the organization. Moreover, research conducted by Bhat (2014) in retail banking sector in India found that bank managers did not improve their performance as expected by the management because their abilities and experiences for their job were outdated. Therefore, the bank managers should learn new skills to be competitive and updated which turns their performance level high. According to Shaukat, Ashraf, and Ghafoor (2015), lack of technology knowledge can decline employee's performance because a group of elder aged managers did not show better performance due to lack of computer skills. So, the lack of training and development could affect employees' performance.

Survey by Sheikh et al. (2016) reveal that the staffs were under-performed in a multinational company due to lack of salaries and wages provided by the management. This situation made the staffs felt demotivated because they did not get salary that commensurate their qualification. Setiawan et al. (2018) conducted a study in an engineering sector indicated the compensation plans of the organization did not match with

other engineering companies, so the engineers felt that their company did not pay fairly compared to other engineering companies. This made the engineers' loyalty towards the management reduced and their performance level will be affected. So, they suggested that poor employees' performance could occur when the compensation and benefits are not paid fairly and appropriately.

The decline in employees' performance could occur when employees face personal problems such as health and family problems. According to Khatri and Behl (2015), if there is no flexibility in working time, then the employees cannot perform well. The study conducted by Khatri and Behl (2015) reveals that the employees become stressed during working period due to heavy workload and it was because the employees did not have enough time for their personal life. This is supported by Abid and Barech (2017) since employees who have family need work-life balance at their work place. This is because employees who have parents, children and siblings have many issues such as sickness, death, finance and relationship problems that impact their commitment, involvement and performance. So, the researchers suggested that lack of work-life balance can decline the employees' performance.

Many studies have been carried out on training and development, compensation and benefits and work-life balance that influence on employees' performance in sectors like manufacturing, engineering, hotel and telecommunication (Khoreva & Heidi Wechtler, 2018). However, researches and studies regarding employees' performance in retail industry are lacking in terms of HRM practices (training and development, compensation and benefits) and work-life balance (Said, Zaidee, Zahari, Ali, & Salleh, 2015). Therefore,

this study will explore the influence of HRM practices and work-life balance on employees' performance in the retail industry.

In general, retail industry is part of service industry that made up of businesses that mainly earn income through offering goods and services to customers. The Malaysian service industry has a huge growth particularly for retail industry over the years. However, according to RGM (2018), the overall retail industry growth dropped due to poor sales of retail stores which includes Retail Store X. Table 1.1 shows the Retail Store X's revenue growth declined from 5.9% (2014) to 2.9% (2018) compared to other retail businesses. Based on the Annual Report 2018 of Retail Store X, the overall revenue growth of Retail Store X was registered lower against its previous years' growths which affect the overall retail industry growth in Malaysia. The Human Resources Manager from Retail Store X mentioned that one of the reasons caused the business growth decline being poor employees' performance in its subsidiaries at the northern regions. This is supported by Noor, Khan, and Naseem (2016) who indicated that one of the reasons why employees under-perform is because of the lack of training, unfair compensation packages and imbalance in working time in organizations. So, one of the main issues that the Retail Store X's subsidiaries are facing are lack of training and development, compensation and benefits and work-life balance for the employees.

Table 1.1  
*Comparison of revenue growth of Retail Store X with other retail stores in Malaysia*

<b>Retail Stores in Malaysia</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Retail Store X	5.9%	4.2%	3.8%	3.5%	2.9%
Retail Store A	5.1%	5.0%	6.2%	5.9%	5.5%
Retail Store B	5.0%	4.9%	4.7%	5.2%	5.3%
Retail Store C	4.8%	4.76%	4.9%	5.1%	5.0%
Retail Store D	5.2%	5.4%	5.15%	4.9%	5.13%

**Source: Retail Group Malaysia (RGM) 2018**



Currently, there are many retail businesses in Malaysia to fulfill the customers' needs and satisfaction. This is a competitive situation for all the retail businesses because they are serving the same products and services for customers. So, each retail business has to differentiate their business competitive advantage and attain customers to gain more profits. By differentiating the retail store, the efficiency of employees' performance had become valuable assets as the main role to enhance the company's sales and profit. Generally, high quality business depends on how the employees perform which will lead to organization growth. So, by HRM practices (training and development, compensation and benefits) and work-life balance, it can identify the level of employees' performance in terms of their behavior toward the job, speed in completing the task and commitment (Hassan, 2016). From 2016 to 2018, the Retail Store X wanted to expand their business to increase sales by 2020. Unfortunately, the sales of the Retail Store X decreased in 2018 compared to previous years, thus the management could not expand their business. According to the HR manager of Retail Store X, the reason of the poor sales is mainly due to the poor employees' performance in the subsidiaries at northern region of Malaysia which are caused by lack of HRM practices (training and development, compensation and benefits) and work-life balance. According to Khoreva and Heidi Wechtler (2018), one of the reasons why employees show poor performance is because they do not have enough abilities and skills to accomplish the work (training and development), no rewards to motivate (compensation and benefits) and no flexibility at work (work-life balance). So, when the implementations of HRM practices (training and development, compensation and benefits) and work-life balance are lacking, the employees fail to give commitment and involvement towards their job, which could affect their performance level.



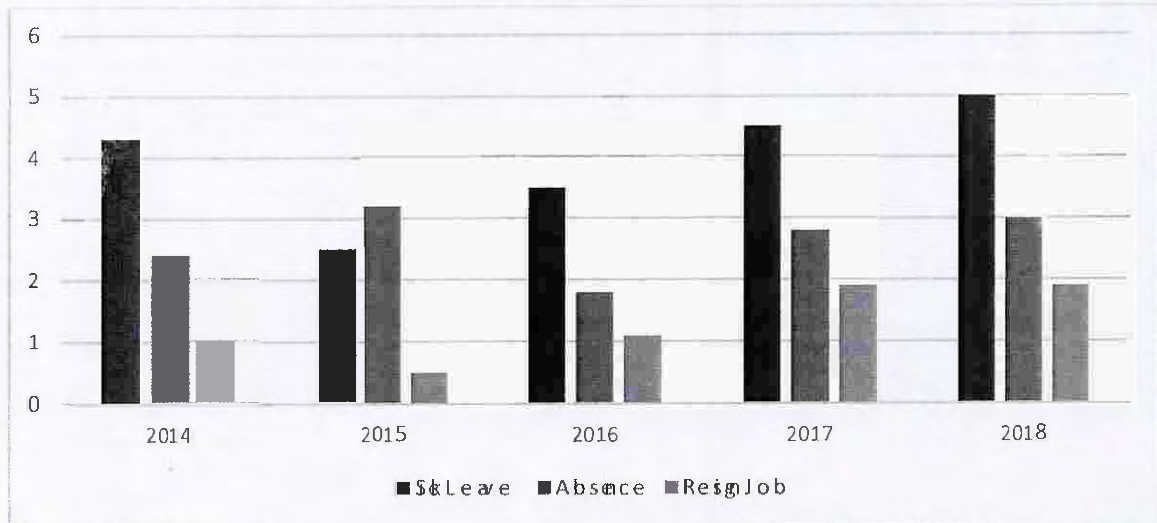
According to the HR manager of Retail Store X, there are problems in terms of training and development, compensation and benefits and work-life balance that influence the employees' performance in the subsidiaries. The employees need to interact with stakeholders such as customers, colleagues, suppliers and vendors and use technology such as emailing, accounting systems and handling invoice generator. So, the employees need to communicate, have good presentation skills and IT skills in order to perform well in the retail stores. However, due to lack of training and development in the subsidiaries, the employees have poor communication skills with stakeholders, handling IT based systems, and professionalism which effect their performance. This warrant a need to investigate if training and development influence the employees' performance in the retail stores. Furthermore, the employees who work in retail industry rely heavily on compensation and benefits because it is an instrument to motivate the employees to work harder and show better performance. In other words, employees with good productivity can be promoted to higher position and expect more income as an incentive for their performance (Inuwa & Idris, 2017). The form of compensation based on salary is needed to motivate retail store employees to work. The HR manager mentioned that the performance of employees declines because they are not motivated or satisfied with rewards or incentive. This is because if the management fail to provide proper compensation and benefits package to boost and motivate the employee, then they might be demotivated to perform their job (Inuwa & Idris, 2017). This being the reason why the employees are not happy at work and show decline performance in the retail stores. Therefore, a study is needed to determine if compensation and benefits influence performance of employees. Lastly, the employees seek for a balance between personal and working life because some staffs have personal

issues such as part time studying and family commitment. So, many employees took unpaid leave, sick leave and absent from work to settle their personal issues. Hence, there is a need to examine if work-life balance influences the employees' performance in the retail stores.

This study observed that most of the employees in those retail stores have misunderstanding with their colleagues and management while working. Many incidents and issues occur regularly which are unpredictable. Usually, the staffs misinterpret with the management and often resign, absence and take sick leave. This is because the employees are not satisfied with the implementation of HRM practices and work-life balance such as providing training, pay fair salary and flexi-time. Therefore, employees showed poor response toward their job such as took sick leave, absent from work and resign job frequently which decline the performance level. The Chart 1.1 shows the yearly record of employees' poor response towards their job in Retails Store X's subsidiaries. In 2018, the employees' response on their job registered highest number compared to previous years. Therefore, the implementation of HRM practices did not satisfy the employees in Retail Store X's subsidiaries, thus they did not response and perform well on their job. Based on the problems, the following research questions are raised:

Chart 1.1

*Yearly Employees' Poor Response towards their Job in Retail Store X's Subsidiaries at Northern Region of Malaysia*



Source: Report from Human Resource Department of Retail Store X, 2019

### 1.3 Research Questions

The research questions of the study are as follows:

1. Does training and development influence employees' performance?
2. Does compensation and benefits influence employees' performance?
3. Does work-life balance influence employees' performance?

#### **1.4 Research Objectives**

The research objectives of the study are as follows:

1. To determine the relationship between training and development and employees' performance.
2. To examine the relationship between compensation and benefits and employees' performance.
3. To determine the relationship between work-life balance and employees' performance.

#### **1.5 Scope of the Study**

The scope of the study is limited to employees of the Retail Store X's subsidiaries in northern regions of Malaysia. Hence, this research determines the two HRM practices (training and development, compensation and benefits) and work-life balance that contribute to employees' performance in the Retail Store X's subsidiaries in northern region of Malaysia which are located in Penang, Bukit Mertajam and Alor Setar. Therefore, measures such as training and development, compensation and benefits, work-life balance and employees' performance will be evaluated in a specified context of use among the employees of Retail Store X's subsidiaries. The respondents are the managerial level (customer service executives, sales executives, store supervisors, admin officers and finance manager, human resource assistant manager) from various departments such as sales, admin, accounting, finance and human resource.

### **1.6 Significance of the Study**

This research is important to organization which need best view of HRM practices and work-life balance that influence employees' performance in retail industry. It contributes awareness on how HRM practices and work-life balance influence on the employees' performance in retail industry. In addition, the study will be helpful for the employees in retail sector, and can be applied to other sectors like manufacturing, telecommunication and engineering. This study will provide information related to the independent variables which include training and development, compensation and benefits and work-life balance on employees' performance.

The study will be useful in improving the retail industry as a guideline on better HRM practices and work-life balance in organizations. Thus, employees will be motivated to contribute their effort and experience in order to provide better services and enhance the organization's growth. Furthermore, HRM practices and work-life balance can ease the business to have better understanding in the working place to include the productive performance among the employees. The study could support employees to understand their job responsibility and organization's goal. The study will guide the organization to restore better functional status which can ensure an effective existence by enhancing employees' performance and organization's reputation.

To conclude, the study will help the retail industry to discover the HRM practices and work-life balance that can influence the employees' performance in their organization.



### **1.7 Definition of Terms Used**

**Employees' Performance:** An attitude that reflect from an individual in an organization which can measured through individual competency level in the organization. (Liao et al. ,2012)

**Training and Development:** An educational process which involves the sharpening of skills, concepts, changing of attitude and gaining more knowledge to enhance the performance of the employees. (Masood, 2010)

**Compensation and Benefits:** Salary and other monetary and non-monetary benefits provided by firm to its employees that employers attract, retain, motivate and satisfy employees. (Van Saane, 2003)

**Work-Life Balance:** A concept that describes the balance a working individual need between time allocated for work and other important aspects of their life. (Eby et al., 2005)

**Human Resource Management (HRM) practices:** The organizational activities for talent management with the objectives of assets are used aligning with company goal. (Taib, Saludin, & Hanafi, 2018).

**Managerial Staffs:** Employees whose contract of employment permits them to assist the employer, supervise team or group of workers, manage human resource activities, control financial flow, direct and organize the behavior and attitude of non-managerial staffs in order to achieve company goals. (Taib, Saludin, & Hanafi, 2018).

## **1.8 Organization of Thesis**

The paper comprises five main chapters

### **Chapter One: Introduction**

Chapter one discusses outline of the research, define the problem stated in the study. This chapter outlined the structure, background, objectives, problem statement, question set in the research, significant, scope of the study and chapter conclusion.

### **Chapter Two: Literature Review**

Chapter two includes the literature reviews which comprehensive of published and unpublished studies related to the topic that is obtained from individuals' findings and periodicals. In short, in this chapter have the introduction, article reviews, journal reviews, literature reviews, research framework, development of hypotheses and the chapter conclusion.

### **Chapter Three: Research Methodology**

Chapter three explains methods used to conduct the research. It includes of operational definition, design of study, technique of sampling, analysis of data, data collection, and measurement scales. Collected data would be scrutinized and tested with SPSS software.

### **Chapter Four: Data Analysis and Findings**

Chapter four discusses the result that obtained from the questionnaire. In this chapter, the hypotheses, objective of the study and problem stated in chapter one will be explained in detail. Chapter four test and scrutinize the hypotheses using SPSS software.

## Chapter 5: Conclusion and Discussion

Chapter five provide a conclusion and discussion that compose the recapitulation, limitation, implications and recommendation for future studies. It will be reflecting the overall summary for the study.

### 1.9 Chapter Summary

The chapter defined the summary structure and background of the study including the importance of HRM practices (training and development and compensation and benefits) and work-life balance towards employees' performance of retail industry in Malaysia. Moreover, the chapter presented the problem statement of the study. Besides, the dependent and independent variables were proposed the research to find the relationship between both variables. For next chapter, it will discover past studies which are relevant to the study and variables which will present better overview and understanding on the study.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

In this chapter, the literature review of past researches that related to the study will be reviewed and examined. This chapter instigates with the review of previous studies on employees' performance. After that, review about the influence of HRM practices (training and development and compensation and benefits) and work-life balance on employees' performance will be discussed. At the end of the chapter, a framework will be presented on the influence of HRM practices (training and development and compensation and benefits) and work-life balance on employees' performance in retail industry.

#### **2.2 Employees' Performance**

Employees' performance is generally seen as the term of outcomes. However, it also can be related to the employees' behavior (Herli, Vitayala, & Sadikin, 2018). The statement is supported by Lohela et al. (2018) who said the employees' performance is about employees' behavior, attitude, response and commitment towards their work. Ngozi, Uzochukwu, and Obiageli (2015) defines employees' performance as behavior by the employee to achieve company's goals.

Besides, employees' performance is an important key cognitive of a company's growth and success. This is because, for organizations, employees are the huge resource and

management are responsible to measure their performance which is important to employees' progress. According to Robescu and Iancu (2016), an important factor for employee performance is to achieve organizations' goals. This is because a successful employee who meets targets, make more profit and create the image through positive customer interactions which tends to achieve the business goals. According to Shagvaliyeva and Yazdanifard (2014), the customers will feel that the company is apathetic to their needs when the employees do not entertain them well so they will seek for other business.

In addition, employees who perform well will get the task done properly and timely (Mohamud, Ibrahim, & Hussein, 2017). For example, if a staff from customers service department is always making the customer report late so the customer services department would always be waiting, seems to be unprofessional and incompetent. According to Ufuophu and Iwu (2014), employers usually measure the employees' performance by evaluating each employees' production outcome. This is because the production outcome indicates how much of goods or services the employees can produce timely and without any error. According to Jalagat (2016), employees' performance related to the efficiency of an organization utilize intangible assets which consists of the employees' skills, knowledge, and qualification required to produce products or services. If there is poor employees' performance so it can be resulted in unexploited capitals and increase operational costs for a business.

Furthermore, the employees' performance is important because it described the employees' individual skills, knowledge of the job, timeliness, and team player ability (Said, Zaidee, Zahari, Ali, & Salleh, 2015). Therefore, employers always keep these details in the



employees' database so the management has a record of the performance shown by employees. Khan and Saeed (2017) said the employers can differentiate the current performance level and prior performance level of an employee to know whether there is an improvement in employee's performance or not. This statement is supported by Mahadevan (2014) who said that employees' performance is actually measured in accordance to the performance standard created by the management to determine employee's actual performance.

However, Onanda (2015) defines that poor employee performance can reduce an organization's competitive advantage compared to their competitors. This is because a competitive advantage is referred to a business which can deliver products and service more efficiently and effectively than its competitors to customers. So, industry like retailing depends on employee's performance which to create a good name of the company in their customers' mind compared to other retailing businesses. This is because employees in retailing are representing the company in sales and administration functions, such as sales executives and customer service executives.

The evaluation of employee performance in continuous basis can helps to determine employees' growth for them, so that they can know the ups and downs towards their works (Rino & Rafika, 2016). According to Jalagat (2016), employee performance evaluation helps to create new objectives and keep the effort high in the company. Carr and Strain (2015) stated that managing employees' performance is showing that the employees have potential for advancement and leadership in their career.

Besides, the performance evaluation is actually related to some elements like employee attributes, employee behavior and employee achievement (Pasban & Nojede, 2016).

These elements stimulus the good performance when the employees get driven by motivation and encouragement in organization (Gautam, 2018). So, employees with high performance could boost up organizational growth as well. Gautam (2018) said that organizational growth will be better when the employees give full involvement and commitment in the workplace.

In addition, employees' performance is related to how they use their knowledge, skills, abilities and experiences in effective way to accomplish their task (Pallewatththa, 2018). According to Robescu and Iancu (2016), performance of employees could be related to innovation, involvement, creativity and also commitment that employees should have to achieve the organization's goals. According to Mohamud et al. (2017), a good productivity growth and performance of employees are important because it stable the economy by increasing status of living, salaries, customer satisfaction and sales. Therefore, in this study employees' performance refer to employees' involvement, creativity and commitment towards their job which enhance their performance level and productivity.

### **2.3 Human Resource Management (HRM) Practices**

HRM practices define as the human resource activities for talent management in the purpose of resource is used in accordance on company's goal. (Taib, Saludin, & Hanafi, 2018). According to them, HRM practices includes training and development and compensation and benefits and its functions could be utilized for managing employees in the organization. Moreover, Ahmad and Jameel (2016) stated that HRM contributes to achieve the organizational goals in providing the fair activities created internally for

company's human resources. HRM practices consisted of training, pay, benefits, development, recruitment, selection process and appraisal for employees which impacting the HR activities and give pathway for the improvement of HR standards and principle within the company.

In addition, HRM practices are the pillar of the company structure and the objective is to change the operational process into technological process in favor to satisfy the necessity regardless on the dynamic modern technological development (Ashraf, Umer, & Ahmad, 2018). In addition, HRM practices accompany the employees' performance and it is also seen as a cohesive viewpoint for a comprehensive and holistic perspective (Khalid & Ilyas, 2014). HRM activities referred to HRM planning and staffing introduced to achieve organizational goals (Tabiu, Pangil, & Othman, 2016). Nabi et al. (2016) stated that HRM practices is the main reason to have competitive advantage in any business because those HRM practices are created to improve the productivity and it has completed knowledge of transfer and development.

However, in translating HRM practices into employees' performance context, employees' behavior, attitude, reaction and response towards the job are the determinations for HRM practices (Mohammad, Qudah, & Osman, 2014). That is the reason why many studies conducted on HRM practices on employees' performance (Sattar et al., 2015). The HRM practices depends on the organization decision like how the strategies of the business is described in implementing the practices. Those activities of HRM is related to share the information and knowledge among the organization and employees (Mohammad et al., 2014). There will be a gap between managers and employees when there is a differentiation of thoughts and knowledge between them in the aspect of HRM practices on employees'

performance. Therefore, study is needed to have an understanding and insightful agreement between managers and employees (Rexhepi & Berisha, 2017). Business growth is extremely depending on the performance shown by employees and a successful business knows that HRM practices impact the employees' performance (Pradesh, 2017). In this modern world, HRM practices are applied in organizations for the purpose of evaluating employees' performance and by improving those practices can enhance the employees' performance as well (Setiawan et al., 2018). In this study, only two HRM practices are covered, namely training and development and also compensation and benefits.

### **2.3.1 Training and Development**

Training and development could be described on the continuous learning progression that enables to advance workers' knowledge, skill, ability and other characteristics (KSAOS) to show improvement on their performance (Gautam, 2018). Training and development are related to a daily task which provided by managers or training professional on off the job. In addition, training and development are described as a planned program to adapt employee behavior and attitude to improve his or her knowledge, skill, ability and other characteristics (KSAOS) which are relevant to the job (Uchenna, Uruakpa, & Uche, 2018). However, training and development must be plan appropriately to get effective improvement of the employees' attitude, knowledge, skill and behavior. Bao and Nizam (2015) state that training and development are to enhance employees' KSAOs to accomplish their jobs which in accordance to attain organization goals. Besides, training and development are can be a key factor to anticipate the KSAOs of the employees in



achieving the organization goals. Training and development related to modern job skills and abilities will have a new direction for employees to develop the knowledge and skills.

Further, training and development are the potential HRM practice that act as motivators which provide advantages for employees and organizations in terms of career advancement and in achieving company goals (Hee & Jing, 2018). This is because training and development that are designed well and proposes for employees in developing their knowledge and skill in aim of achieving organization's goals. According to them, it is important and useful to enhance employees' performance which can decrease employee's turnover and increase the responsibility of employees in aligning with company's goals,

In addition to that, there are two types of training and development that are training on job and training off job which can be used on developing the knowledge and skills of employees (Ashraf et al., 2018). Training on job is conducted on regular working hour and at workplace. This training includes the coaching, mentoring and teaching by managers or supervisors in the organization (Mira & Odeh, 2018). Training off job is by sending specific employees from the workplace to outside training and development program like conferences and role playing. This study focuses in both trainings because through both trainings' employees can put full involvement and commitment which could bring an effective improvement in their performance.

Additionally, training and development program allow employees to reinforce their knowledge and skills that all the employees should to improve (Bao & Nizam, 2015). Its help to decrease the weak relationship with others inside the company when someone highly depends on other employees to do simple work. According to Mohamud et al. (2017), when provide the required training and development, its will create skillful and



knowledgeable employees who can work in team, work independently and work without any help from others.

Moreover, according to Nuryasman and Suryaman (2018), a planned training and development program ensures the workers have a continuous knowledge and understanding. The constant knowledge and experience are applicable and related to the company's policy so that employees can be conscious on the expectation and objectives of the company. Therefore, by sending all the employees to a particular training programs can ensure that all the employees at least have the knowledge to specific information of the training.

### **2.3.2 Compensation and Benefits**

Compensation and benefits are the monetary or non-monetary benefit to employees for their performance which directed on their job performed well. This compensation and benefits are also the formation of pay, rewards, incentives, bonuses, commission, holidays, recognition and medical insurance (Herli et al., 2018). Compensation and benefits are the system of monetary values which consists of intangible rewards and incentives that compensated to an employee for his or her performance (Ashraf et al., 2018). Danna and Supriyanto (2017) defined that offering compensation and benefits are important in favor to improve the effort of workers towards jobs which to attain organization's goals.

Besides, providing compensation and benefits are the highest production cost to run a business. At the same time, it also act as one of the HRM practices because its stimulate the employees motivation to improve their performance (Chishimba,2018). Compensation

and benefits are the most effective HRM practice because it instigated greater level of performance in employees' perspective. Compensation and benefits on employee's performance are known as the best indicator to measure the employees' performance (Gyamfi, 2015). This is because the employees always seek for initial encouragement to perform their job effectively if they get rewards and incentives associated with performance measurement. According to Salah (2016), the combination of effective compensation and benefits package and high level performance can make the organization successful.

However, according to Ali, Bin, and Piang (2016), employees are always seeking to put themselves in the best place beneficially. For example, employees who are worth a specific pay always know their value and they will seek for a place that pays fairly. Robescu and Iancu (2016) said that employers offer a similar compensation and benefits package compared to their competitors to their employees in order to attract the employees to work more so can achieve company's goals.

If the employers compensate the employees properly it shows that employers' value the employees as workers and as human beings (Herli et al., 2018). So, if a person feels valued then he or she feel better about working in such company. Ofobruku (2018) said when employees know there are bonuses or commissions for good performance in their working place, so they are progressively interested to provide better results to achieve the bonuses or commission. This is because bonus and commission are one of the compensation plans which is become an important factor to improve employees' performance and achieve company goals.

Additionally, a good compensation and benefits package is one of the reason why employees remain with employers (Chishimba, 2018). This is because the employees will stay longer with the employer when they are being paid well. So, employers don't need to spend much time, money and energy on recruiting new employees when the provide a proper compensation and benefits plan for employees. Furthermore, according to Morris and Douglas (2017), by giving the proper compensation and benefits system lead to stronger employees' performance. For example, employees often claim about holiday bonuses and they strongly watch how the company stock performs because some companies have stock options so if the company get profit then the employee seek for bonuses. Therefore, with good compensation and benefits package in place, the employees will be satisfied and they will perform better for the company.



#### **2.4 Work-Life Balance**

Work-life balance is one of the factor to have a healthy work atmosphere (Khatri & Behl (2015). Sheppard (2016) said that sustaining work-life balance will reduce stress and tension as well as prevent burnout problem for employees. This is because stress and tension are the most general issue in health wise at workplace and these problems can cause to have mental and physical causes like headache, hyper-tension and heart diseases.

Besides that, if an employee is having stress for longer period of time, it can cause exhaustion in workplace (Anthonia & Ukoha, 2018). This statement is supported by Sirma (2015) who said employees who work more than a specific working time can cause extreme exhaustion. This is because employees who are exhausted can caused into tiredness,

irritability, mood changing and finally effect their performance at the workplace. According to Eric (2017), the mental and physical problems of exhausted and burned out employees can cost \$100 million to \$150 million per year for their treatment expenses to the employers.

Employers who gives importance to work-life balance can sustain a healthier working environment and maintain a productive workforce in their company (Basit, Hassan, & Murali, 2018). Employer should prioritize time for urgent and not urgent tasks and plot some personal time for them in workplace. By doing so, employees can have a good time management between their working and personal life. Abid and Barech (2017) suggests that creating a flexibility in work place is to fulfill the employees needs in terms of work-life balance. Reason for this is that flexibility is to reduce stress and increase employees' satisfaction so that it can help the employees to maintain better performance.

On the other hand, if the employer prioritizes a healthy culture and encourage a happy working atmosphere can creates a work-life balance in the company (Laura & Villar, 2014). The reason is that, the workplace will be more comfortable and the employee will feel happy with their task given. Gautama et al. (2018) said work-life balance also includes provide relaxed place, chances for growth and social activities. It is can enhance the employees' performance by fulfilling their needs because they are satisfied with the facilities provided by the management. Therefore, employees will perform well when there are chances for social connections, professional growth and good working environment in workplace.

In addition, employees' performance on work-life balance will be developed with workplace culture, social and economic changes in the organization (Shagvaliyeva &



Yazdanifard, 2014). Hassan (2016) suggested that employers who implement flexibility hours at workplace, it can update their workplace culture to try new things if employees complain that they don't have balance in working and personal life. Ngozi et al. (2015) said the best method to have high-performing employees is the employers should ensure they have enough time and spend it wisely in or out of the workplace.

Likewise, employees need healthy work-life balance because they are focusing on numerous roles and doing multi-tasking in the competitive working era (Hassan, 2016). The definition of work-life balance could be a separation of a person's time, focus and energy on work and personal life which is able to improve adaptability in the dynamic business environment (Jalagat, 2016).

Further, technological factor, economic situation and social lifestyle are bringing the trend of work-life balance at workplace. The reason is that past researches had mentioned that the more workload in organization can cause problems in terms of personal and family for employees (Salah, 2016). Particularly, ladies who work in any sectors need to have stability between work and family responsibilities because they are more involve in personal issue such as pregnancy, childcare, house work (Gautama et al., 2018). For example, female employees should get proper maternity leave they need maximum rest after the delivery so if they don't have enough rest, they could not able to focus in their work and finally would affect their performance. Therefore, female employees need balance in working and personal life since they have more personal responsibilities than work.



## **2.5 Relationship between Employees' Performance and HRM Practices and Work-Life Balance**

This section will discuss the relationship between employees' performance and HRM practices and work-life balance. In this study, employees' performance would be the dependent variable while the training and development, compensation and benefits and work-life balance are the independent variables. Three hypotheses are developed after reviewing previous literature. Then, the variables will be presented in research framework as well.

### **2.5.1 Training and Development and Employees' Performance**

Training and development help to create employees' basis for their career development and advancement. Training and development are to help the employees generate knowledge and skills in order to perform well their job in accordance of organization's goals. There are many studies that examined the relationship between training and development and employees' performance.

Training and development are one of the HRM activities to improve employee's knowledge, skills, abilities and experience in order to achieve organization's objectives (Patro & Kumar, 2018). Moreover, training and development are the important factor to develop work efficiency and effectiveness level for employees which increase productivity in organizations. Training and development are the planned work which includes many designed programs for educating employees to improve their performance and develop efficiency to high level from those programs (Halawi & Haydar, 2018).

Moreover, training and development is a learning process that share information and skills from trainees to influence the career behavior and abilities of the employees (Hirlak, Ciftci, & Balikci, 2018). However, training and development act as main aspect for organizations growth in all sectors because it influences the employees' performance in organizations (Bhat, 2014). According to Al-qout (2017), training and development influence the employees' performance because its increase their performance, improve the relation in organization, enhance the behavior, develop sense of belonging, creates trusty, reduce absenteeism and turnover.

Likewise, Asfaw et al. (2015) who conducted research in Ethiopia found training and development have relationship to bank staffs' performance. They stated that training and development positively impact the staffs' performance. Another research was carried out and discovered a positive influence on employees' performance and training and development in Pakistan (Tahir et al., 2014). Said, Zaidee, Zahari, Ali, & Salleh (2015) mentioned that training and development have significant relation with nurses' performance in the hospital. The reason is because training and development stimulate the nurses' performance in positive way because its advance their knowledge and skills. According to Herli et al. (2018), training and development has positive significant relationship on employees' performance because its include designed and planned programs to increase the experience of employees. According to Bao and Nizam (2015), the relationship of training and development on employees' performance is positive because training and development are enhancing the abilities of employees in order to complete their works.

Further, Pasban and Nojede (2016) also specified that training and development stimulate employees' performance. The reason is because, providing training and development would expand current performance and develop upcoming performance of employees. Besides that, training and development will also advance employees' performance effectively and help them to reach the organization's objectives (Ali et al., 2016). Fulmer and Ployhart (2015) mentioned that training and development programs are extremely important for employees because through formal instructions and activities in those programs can lead superior performance towards their jobs. Thus, training and development brings positive influence to employees' performance. The following hypothesis is posited:

H1: Training and development positively influence employees' performance.

### **2.5.2 Compensation and Benefits and Employees' Performance**

Compensation and benefits are a strategy that organization uses to stimulate and inspire employees' performance. There are many studies which found that compensation and benefits influence employees' performance. For example, Mohamud et al. (2017) stated that in manufacturing sector, compensation and benefits have positive connection with employees' performance because by providing a superior pay structure to employees, the employees are satisfied and motivated by the compensation so he or she will perform well in order to achieve organizations goals. Salah (2016) also mentioned that compensation and benefits influence employees' performance because he found that compensation and benefits actually advance the performance and productivity of staffs in a hospital.

In addition, compensation and benefits can influence employees' performance when the employers formulate an effective paying system to maintain employees' good performance (Mira & Odeh, 2018). Furthermore, compensation and benefits must be planned and designed wisely to reinforce the employees' performance (Anwar & Budi, 2018). Darma and Supriyanto (2017) indicated that compensation and benefits give impacts on employees' performance when compensation and benefits are beneficial in improving the employee's effort and energy in favor to reach the company's aim. Mohamud et al. (2017) did a study in manufacturing company show a notable bond between compensations and employee performance. Gupta and Shaw (2014) stated that compensation and benefits directly effect on employee's performance which means the more the rewards and incentive provide by the company, the higher the employee's performance. Gyamfi (2015) found that the performance of staffs in a bank from Ghana will increase if compensation and benefits is enhanced, so compensation and benefits have positive effect with employee performance.

Likewise, according to Salah (2016), there is a positive relationship among the compensation and benefits and employees' performance. According to him, compensation and benefits are important for employers because its help to retain talented employees in organization. Compensation and benefits showed positive association on employee performance (Chishimba, 2018). Compensation and benefits with employees' performance have a notable positive relation (Hee & Jing, 2018). This is because they stated that employees will be motivated if they received financial or non-financial rewards for their performance. Study mentioned that positive correlation between compensation and benefits and lecturers' performance in a university (Morris & Douglas, 2017). This is

because employee's performance can be improved by rewarding them bonuses and incentives. Bonuses and incentives can be aligned in improving performance and productivity of employees (Darma & Supriyanto, 2017). Organizations give compensation and benefits packages for employees in order to reach higher level of productivity in accordance with the organizational objective. Research found that compensation and benefits will give positive impact on employees' performance because the employees' get motivated by the monetary and non-monetary reward by the company (Abusharbeh & Nazzal, 2018). Employees may notice how employers are providing compensation and benefits packages that can stimulate their motivation level to work. In addition, employees might also compare their salary and benefits packages with their colleagues because some employees' job is tough and need more experience so they may seek for a huge pay compared to other employees (Afroz, 2018).

Besides, compensation and benefits influence employees' performance because its created to attract the employees to be more productive and sustain their performance level in order to achieve organization's objective (Imran, Haque, & Rebilas, 2018). Besides that, Gautam (2018) mentioned that the employees will fully motivated when they get instant reward after their task done from their managers. Thus, employees who fully motivated will pursuit to increase their productivity. Therefore, compensation and benefits have the relationship towards employees' performance. Based on the above explanation, it is hypothesized that,

H2: Compensation and benefits positively influence employees' performance.



### **2.5.3 Work-Life Balance and Employees' Performance**

Work-life balance influence productivity or performance of the employees because the employee perform well when there is flexibility in working hours so that they can balance their working and personal life (Ignasius et al., 2018). Further, work-life balance always have a positive correlation towards performance from employees (Abusharbeh & Nazzal, 2018).

Moreover, research carried out to determine how the work-life balance effect employees' performance showed that most workplace flexibility turns into positive situation for employers and employees (Ahmad & Jameel, 2016). They also concluded that work-life balance increases the employees' performance.

Additionally, work-life balance in companies influence the employees' performance positively because there is a good impact in production when there has flexibility in working (Pasban & Nojehdeh, 2016). In Abid and Barech (2017) research show there positive correlation between work-life balance to employees' performance toward organization. According to Laura and Villar (2014), there is a good significant relation between work-life balance and specific work atmosphere which can influence employees' performance.

In addition, study conducted to discover the effects of work-life balance policy such as flexibility in working hour of production operators and shows a significant relationship between flexibility and workers' performance (Weerakkod & Mendis, 2017). They said that the time and workplace flexibility it has been initiated in working place because

employees highly valued the flexible hour policy which help them to manage time wisely on work and personal life.

Further, work-life balance influence employees' performance when management are encouraged to perform flexibility in work place to reach the company's objectives (Milka, 2015). This is because he stated that flexibility have a positive result on employees' performance, decrease absenteeism rate and therefore reduces the employee turnover and hiring costs as well. He concluded that work-life balance would benefit employers and employees as they became more enthusiastic to stable their work and personal life needs.

Besides, Dhar, Vaishnav, and Vishwavidyalaya (2015) mentioned there was no research which found work-life balance could decline productivity on flexi-time during working hours meaning that having balanced time with personal and work life would increase productivity. Reason is having balanced time with personal and work life enables workers to work according to time arrangement so they can be more productive than fixed time without stress. Therefore, work-life balance has significant linkage on employees' performance.

Study of 55 companies conducted mention that employees' performance were maintained when the employers allow their staffs to bring their children to workplace if they were having childcare problems (Rino & Rafika, 2016). Therefore, based on the above explanation, it is hypothesized that:

H3: Work-life balance positively influenced employees' performance.

## 2.6 Underpinning Theory

This study is grounded on Herzberg Two-Factor Theory which has been investigated by many researchers to describe the relationship of HRM practices (training and development and compensation and benefits) and work-life balance on employees' performance (Herzberg, 1959). Herzberg explained two types of factors in determining employee's working behavior and performance level such as motivation and hygiene factors (Mira & Odeh, 2018). He stated motivation are the fundamental factors that will satisfy employees' needs and hygiene factors are external factors to reduce dissatisfaction of employees (Weerakkod & Mendis, 2017). Two theories should work together in order for employee to motivate on performing well in order to achieve organizations goals (Milka, 2015). The Herzberg theory focus on the internal job factors that act as motivating forces for employees. He wanted to create the opportunity for employee to take part in planning, performing and evaluating their work (Milka, 2015). Many studies had proved that employee are more stimulated and inspired by intrinsic factors as captured by Herzberg's motivator needs than anything else (Weerakkod & Mendis, 2017).

This theory pointed out that improving training and development, compensation and benefits and work-life balance in retail industries would motivate employees to perform better (Rino & Rafika., 2016). However, Herzberg's theory indicate that while training, compensation and flexibility is a demotivating factor if not adequate for the work, it is also not a strong motivator (Rahman & Kakakhel, 2014). However, the theory indicate that training and development, compensation and benefits and work-life balance are strong motivators in order to enhance employees' performance (Shaukat, Ashraf, & Ghafoor, 2015). For example, retail stores provide various training programs in an effort to use

training and development as a motivation tool because providing knowledge is referred to Herzberg motivation theory, meaning it is necessary and motivating to enhance knowledge and skills. It indicates the effect of training and development may increase the ability of the employees to perform well on their job.

Additionally, Herzberg's theory indicate hygiene factors can lead to dissatisfaction if expectations are not met (Mira & Odeh, 2018). This suggests that adequate and fair compensation and benefits packages for work is necessary to retain employees' performance and to protect against strong feelings of dissatisfaction at work (Chishimba, 2018). For examples, if retail employees feel underpaid, they may also feel like the retail store and their direct managers do not value their work or them as employees. This contributes to dissatisfaction, which can ultimately cause the employee to underperform if unfair pay provides to employees.

As noted, Herzberg's theory suggests that opportunities for work-life balance are more likely to motivate high performance. This is supported by Molm (2003) who indicate love, relationship and belonging as higher-order needs compared with basic needs, which would include family, friends and personal matters. This is because work-life balance in workplace do usually stable enough time for personal and working life and this influence stems of being energize in work place, reduce depression, stay healthy, feel relief and enhance the performance towards job (Rahman & Kakakhel, 2014). However, Herzberg notes "*opportunities for advancement in knowledge, pay and work-life policy*" specifically as a motivator in order to perform well for employees (Khoreva & Heidi Wechtler, 2018). Therefore, this study applied this theory to determine the influence of training and



development, compensation and benefits and work-life balance on employees' performance.

## 2.7 Research Framework

Research framework is developed based on the hypotheses and theoretical description. As exhibited in Figure 2.1, this study proposed two HRM practices (training and development, and compensation and benefits) and work-life balance influence employees' performance (Onanda, 2015), (Park, An, Kim, & Choi, 2015), (Ufuophu & Iwu, 2014), (Hirlak, Ciftci, & Balikci, 2018) and (Zia-ud-din, Shabbir, Asif, Bilal, & Raza, 2017).

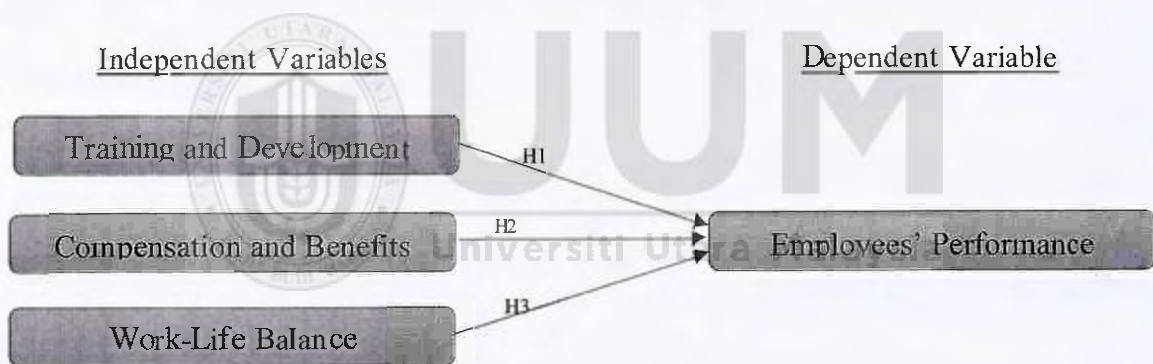


Figure 2.1 *Research Framework*

## 2.8 Chapter Summary

Dependent and independent variables have been mentioned in this chapter. The research framework has been developed by examining the literatures. The following chapter will discuss on research methodology and explain about the processes and method used in this study.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

Research methodology is a process conducts for data analysis to generate the required information. This chapter will explain the background of the study and describe how the study is conducted. Research design, data collection, sampling technique, operational definition, measurement, pilot test and method of data analysis will be included in this study. At the end of the chapter, a summary is written to explain about this chapter.

#### **3.2 Research Design**

Research design refer to the procedures and method that are applicable to conduct data collection and analysis which to complete the objective of research (Etikan & Bala, 2017). Research design established the outline used in data collecting and data analyzing. Research design is an idea and plan of hypotheses examination to answer the research questions (Atmowardoyo & Makassar, 2018).

Choosing the correct study design is important in getting valuable and exact research outcome because different study designs can apply for same research problem, but it is the method that the research problem is created to determine the right research design. According to Aarts, Kristin, and Ongena (2018) in exploratory research method, the ideas and information are important factors because its initially depend on the inclination of

research personal on a topic. The exploratory research explains an unexplored aspect of a subject which was provided along with details about what, how and why related to the research questions. However, according to Zikmund (2013), descriptive research design is exclusively interested in explaining the condition or situation on a study. It also as the theory-based design which is created by gathering, analyzing and presenting collected data which can implement an in-depth research design. This study utilizes descriptive research design to carried out the research. According to Zikmund (2013), a descriptive research is one in which the data is gathered without changing anything or manipulating the nature. Descriptive research is suitable for the study for the reason that the study uses questionnaire as structured data which easily can collected. Descriptive research is favored in the study because the study's purposes is to investigate the influences of HRM practices and work-life balance on the employees' performance in retail industry. This study has used cross-sectional research because it is also able to explain the staffs' information such as ethnic group, age, marital status, year of employment, gender, highest academic achievement, monthly income and work location. This is because cross-sectional design research includes using different groups of people who differ in the variable of interest but share other criteria such as socioeconomic, status, educational background and ethnicity like in this study, the respondents are from three various locations but they still have same types of characteristics in terms of age, gender, status and educational level (Creswell, 2014).

In collecting data, there are two approaches that could be used namely the quantitative and qualitative method (Mohajan, 2017). Qualitative is a method to explain problem statement in more insight and meaningful in a study, whereas the study will discover detailed information without using mathematical measurement like quantitative method. This is

because quantitative method is to obtain numerical data for statistical purpose to test the hypotheses (Creswell, 2014). The reason for choosing quantitative is because the study tests variables to support the hypotheses. So, the quantitative method has been applied to assess the variables and analyze the result in this study. The quantitative method is developed to obtain numerical data for statistical testing of the hypotheses (Creswell, 2014). This study uses the survey technique to gather data as it is relatively inexpensive and consume less time to conduct. The instrument of this study was generated into a comprehensive questionnaires form. Questionnaire is a common technique to collect data as various respondents are asked to respond to same question in quantitative research. Thus, questionnaires ensure the results of the study is more objective, relatively quick to collect information and can be targeted to the groups for the study.

### 3.3 Unit of Analysis

According to Mohajan (2017), the unit of analysis refer to the aggregation of the data collection during data analysis. The unit of analysis in this study is individual particularly the managerial level staffs of the Retail Store X's subsidiaries in Malaysia. The study focused on managerial level staffs in the subsidiaries of Retail Store X in northern region of Malaysia. The managerial level staffs include of sales executives, admin executives, finance officers, admin managers, store managers, customers service managers, store supervisors, human resource managers, human resource executives and accounting officers.

### 3.4 Population and Sample

According to Robinson (2014), population is a collection of subject interest to be examined in a research. Individuals who have same characteristics that identify in the study are consider as the population. The population for this study are managerial staffs of the Retail Store X's subsidiaries in northern region of Malaysia. A total of 650 managerial staffs of the Retail Store X's subsidiaries were selected from three subsidiaries are considered to be the population in this study.

The population of 650 staffs which for the managerial staffs of the Retail Store X's subsidiaries which are from 300 Penang staffs, Bukit Mertajam 250 staffs and Alor Setar 100 staffs as shown in table 3.2. The sample size recommended by Krejcie and Morgan (1970) as cited by Sekaran and Bougie (2016) is 242 but normally in Social Science Studies, the responses will not get adequate sample as suggested by Krejcie and Morgan, so the sample number was increased to 50%, thus the new sample number are 363. This is because, larger sample size provides more accurate mean values, identify outliers that could skew the data in a smaller sample and provide a smaller margin of error (Zikmund, 2013). The staffs selected in this study are chosen to determine their performance level towards their job that may be influence by the HRM practices (training and development, compensation and benefits) and work-life balance in the retail stores.

The respondents are located at northern region of Malaysia, located at Penang, Bukit Mertajam and Alor Setar. Thus, the stratified sampling method is applied in this study. According to Suresh & Thomas (2011), stratified sampling method of the population will be separated in related strata groups will use the simple random sampling technique. In this study, to enroll the staffs from Penang, Bukit Mertajam and Alor Setar, a stratified sample

method used to construct the number sample randomly from each retail stores. The calculation of stratified sampling method shown in Table 3.1. For Penang the population was 300 after the stratified with the total population of 650 and multiply by 363 (sample), so the number of questionnaires distributed in Penang is 167. Followed by Bukit Mertajam and Alor Setar where the population for each location are 250 and 100 respectively, the total population multiple by 363 for each location, so the number of questionnaires should be distributed in Bukit Mertajam and Alor Setar are 140 and 56 respectively.

Table 3.1  
*Stratified Sampling of the Population*

State	Population of Managerial Staffs	Sample
Penang	300	$300/650 \times 363 = 167$
Bukit Mertajam	250	$250/650 \times 363 = 140$
Alor Setar	100	$100/650 \times 363 = 56$
<b>Total</b>	<b>650</b>	<b>363</b>

### 3.5 Measurement

This study used quantitative method and collection approach for the study because its ease and speed. The instruments used for the research were developed into Google Form to determine the relationship between variables and to test hypotheses.

In the study, employees' performance is the dependent variable whereas training and development, compensation and benefits and work-life balance as the independent variables. All items in the questionnaire were tested by using Likert Scale ranging from 1 specifies strongly disagree to 5 specifies strongly agree.

The survey contains quantitative measure of employees' performance, training and development, compensation and benefits, work-life balance and demographic information



of the staffs such as gender, age, marital status, highest academic achievement, year of employment, monthly income, work location and ethnic group. The questionnaires distributed in the English language consist of three sections which includes 39 questions, as exhibited in Table 3.2. The sample of questionnaire is exhibited in Appendix A.

Table 3.2  
*Description of Survey Section*

Questionnaire Sections	Variables
<b>Part A</b>	This part demonstrates the demographic profile such as gender, age, marital status, highest academic achievement, year of employment in this organization, work location, monthly income and ethnic group.
<b>Part B</b>	This part demonstrates items on independent variables which are the training and development, compensation and benefits and work-life balance and comprises of 24 items.
<b>Part C</b>	This part demonstrates items on dependent variables which is employees' performance and includes 15 items.

### 3.5.1 Dependent Variable

The following subsection describes the instrument and operational definition used to measure the employees' performance as dependent variable.

#### 3.5.1.1 Employees' Performance

The employees' performance instrument is adapted from Liao et al. (2012) which have fifteen items with Cronbach Alpha of 0.83. This instruments were used by Milka (2015), Noor et al. (2016) and Ali et al., (2016) in their studies. For the Cronbach alpha, Milka (2015) indicated result of 0.84, Noor et al. (2016) reveal result of 0.90, and Ali et al. (2016)

reported reliability of 0.85, which is indicate the instruments are valid and reliable. Table 3.3 shows the operational definition and the items for employees' performance.

Table 3.3

*Operational Definition and Instrument for Employees' Performance*

Variables	Operational Definition	Items
<b>Employees' Performance</b>	An attitude that reflect from an individual in an organization which can measured through individual competency level in the organization.	<ol style="list-style-type: none"> <li>1. I always completed work in timely and effective manner.</li> <li>2. I always performed high quality work.</li> <li>3. I perform task that the are expected of me.</li> <li>4. I meet performance requirement of my job.</li> <li>5. I engage in activities that will affect my performance evaluation.</li> <li>6. I complete my job accurately and timely to achieve the work objective.</li> <li>7. I meet work hours schedule and attendance expectations.</li> <li>8. I able to identify, analyze problems and find solution for it.</li> <li>9. I deal confidently and efficiently with top management and colleagues.</li> <li>10. I demonstrate necessary knowledge and skills to perform the job effectively.</li> <li>11. I establish my job objectives with regard to the department and company goals.</li> <li>12. I am capable of completing my task within the time frame.</li> <li>13. I volunteer to complete extra tasks.</li> <li>14. I complete works according to management goals.</li> <li>15. I complete duties according to procedures.</li> </ol>

Source: Liao et al. (2012)

### 3.5.2 Independent Variables

The following subsections describe the instrument and the operational definition of the independent variables (training and development, compensation and benefits and work-life balance).

### 3.5.2.1 Training and Development

The instrument used to measure the training and development is adopted from Masood (2010) comprises of eight items with 0.82 as reliability coefficient. Bhat (2014) reported Cronbach Alpha reliability coefficient of 0.84 which indicate the instrument has good reliability. The instrument were tested by Shaukat, Ashraf, and Ghaffoor (2015), Hirlak et al. (2018) and Afroz (2018), indicate reliability coefficient of 0.87, 0.84, and 0.88 respectively for training & development.

The high reliability shows the instrument has good validity and reliability values. Table 3.4 shows the operational definition and the items for training & development.

Table 3.4  
*Operational Definition and Instrument for Training and Development*

Variables	Operational Definition	Items
Training and Development	An educational process which involves the sharpening of skills, concepts, changing of attitude and gaining more knowledge to enhance the performance of the employees.	<ol style="list-style-type: none"><li>1. I have training and development opportunities to learn and improve my knowledge.</li><li>2. The management provides many training and development programs to improve my knowledge and skills.</li><li>3. My employer encourages me to extend my abilities.</li><li>4. This organization has provided me with training opportunities which enables me to extend my range of skills and abilities.</li><li>5. I get the opportunity to discuss my training and development requirements with my employer.</li><li>6. My work pays for any work-related training and development I want to undertake.</li><li>7. The training and developments programs have improved my decision-making skills.</li><li>8. The training and development that I got meets the needs of my job scope.</li></ol>

Source: Masood (2010)

### 3.5.2.2 Compensation and Benefits

The instrument used to measure the compensation and benefits is adopted from Van Saane (2003) comprise of nine items with Cronbach Alpha of 0.79 . Gyamfi (2015) reported Cronbach's alpha of 0.84, Khatri and Behl (2015) showed Cronbach alpha of 0.85 for those items. In addition, Noor, Khan, & Naseem (2016) indicate reliability result of 0.83.

The reliability shows the instrument has good validity and reliability results. Table 3.5 shows the operational definition and the items for compensation and benefits.

Table 3.5

*Operational Definition and Instrument for Compensation and Benefits*

Variables	Operational Definition	Items
Compensation and Benefits	Salary and other monetary and non-monetary benefits provided by firm to its employees that employers attract, retain, motivate and satisfy employees.	1. I am satisfied with my current salary. 2. I am satisfied with the amount the company pays for my benefits. 3. I am satisfied with the management pay structure. 4. I am satisfied with the raises I have received in the past 5. I am satisfied with my benefit package. 6. I feel compensation and benefits could increase my motivation while working. 7. I think compensation & benefits should be based on the employee's performance. 8. My manager knows the additional effort that I put on my job. 9. My performance evaluation impacts the pay increment.

Source: Van Saane (2003)

### 3.5.2.3 Work-Life Balance

The instrument used to measure the work-life balance is adapted from Eby et al. (2005) consists of seven items with 0.79 reliability results. The instrument being utilized by Shagvaliyeva and Yazdanifard (2014) with Cronbach Alpha of 0.81 which indicate the

instrument has good reliability. The instrument were tested by Robescu and Iancu (2016), Abid and Barech (2017) and Uchenna et al.(2018) and they reported the Cronbach Alpha reliability coefficient of 0.78, 0.80, 0.88 respectively for work-life balance.

The high reliability shows the instrument has good validity and reliable values. Table 3.6 shows the operational definition and the items for work-life balance.

Table 3.6  
*Operational Definition and Instrument for Work-Life Balance*

Variables	Operational Definition	Items
<b>Work-Life Balance</b>	A concept that describes the balance a working individual need between time allocated for work and other important aspects of their life.	<ol style="list-style-type: none"> <li>1. I prefer work-life balance such as flexibility rather than fixed working hours.</li> <li>2. Managers allow generally enough time for the completion of projects so that employee can do good quality work with limited stress.</li> <li>3. My work schedule is not in conflict with my personal life. ®</li> <li>4. My job does not affect my role as a spouse, a son, a daughter and/or a parent. ®</li> <li>5. Work- life balance encourage me to be more efficient.</li> <li>6. I believe work-life balance could provide a relaxing working environment.</li> <li>7. I wish to have flexibility in work so that I can have balance in my working and personal life.</li> </ol>

Source: Eby et al. (2005) ® - Reverse question.

### 3.6 Data Collection and Administration

The instruments were adapted from previous established scholars interpreted into a set of questionnaires. In this study, the questionnaire are prepared using the Google Form. The questionnaire’s link was distributed to the managerial staffs of the Retail Store X’s subsidiaries through electronic communication tool that is the WhatsApp group. An



introduction is attached to briefly explain the aim of this research. In this study, the managerial staffs from three subsidiaries of Retail Store X were chosen to determine how training and development, compensation and benefits and work-life balance influence employees' performance in retail industry at northern region of Malaysia. For data collection, it took two weeks to gather the data from all the respondents.

### **3.7 Pilot test**

Pilot test is an initial study done in small size sample earlier than proper samples that will use in the real testing. Pilot test is a review that use gathered data from small size of participants to examine the validity and reliability of the instrument, this small-scale test is to decide on undertaking the study in full scale Zikmund (2013). Therefore, data transparency can be obtained from the experimental from small size of respondents.

Pilot test for this study was done between 2 until 9 June 2019 to test the items and to examine the reliability of variables of the instrument. The pilot test process is to clarify if the items have good reliability and internal consistency (Piaw,2012). The respondents' understanding and experience involved in this study must be examined through a pilot test even though those items were adapted from previous studies. Diversified respondents' characteristics and behavior make them react differently to the questions.

In this pilot study, 30 respondents of managerial staffs at the Melaka branch were the respondents. These staffs were selected because their characteristics match with the managerial staffs from the northern region since they have the same performance issue in their retail store. The respondents were given one week to complete the questionnaire.

Based on the responses, the instrument's reliability was analyzed to examine the internal consistency of the instruments. The result of the reliability is shown in Table 3.7.

Table 3.7  
*Pilot Test Result*

Variables	Number of Items	Mean	Standard Deviation	Cronbach's Alpha
Employees' Performance	15	3.631	5.71	0.98
Training and Development	8	3.245	5.02	0.96
Compensation and Benefits	9	3.223	4.91	0.84
Work-Life Balance	7	3.829	3.51	0.75

The coefficient for employees' performance is 0.98, indicates an excellent reliability. The coefficient for training and development is 0.96 which also consider as excellent reliability. The Cronbach alpha for compensation and benefits is 0.84 which is indicates the instrument is strong. The internal consistency for work-life balance is 0.75 which is indicates the instrument is strong.

The pilot test helps to evaluate the suitability of the instruments in this study. All the items are adapted to test in real study which is based on the internal consistency obtained from the pilot test.

### 3.8 Data Analysis Techniques

The data gathered from the questionnaire are analyzed by using Statistical Package for Social Science (SPSS) software version 25. The finding and results are analyzed and

explained through statistical analysis such as descriptive analysis, reliability analysis, correlation analysis and regression analysis.

### **3.8.1 Descriptive Analysis**

Descriptive statistics includes transforming a set of data that transformed into a form which deliver information to determine the aspect of certain situation. Zikmund (2013) defined that descriptive analysis involves calculation of mean, median on overall items, and standard deviation of those items. In this study, this analysis used in explaining respondent's demographic information, which includes the gender, age, marital status, highest academic achievement, ethnic group, years of employment, monthly income and work location.



### **3.8.2 Reliability Analysis**

The reliability of the items is confirmed by using Cronbach's alpha coefficient to show the internal consistency of the items involved in this research. If the Cronbach Alpha is closer to 1, then reliability of the items is better defined (Sekaran and Bougie, 2016). However, they also said that if Alpha above 0.6 is still acceptable.

### **3.8.3 Correlation Analysis**

According to Sekaran and Bougie (2016), the correlation analysis measures the significance relationship between the independent and dependent variables. In this study,

to determine the linear relationship between independent variables (training and development, compensation and benefits and work-life balance) with dependent variable (employees' performance), the Pearson correlation coefficient ( $r$ ) is used. The correlation values are from -1 to +1 which is defined there is negative linear relationship if the both variable of  $r$  closed to -1 and positive linear relationship of the both variables value of  $r$  closed to +1. However, there is no linear relationship between the both variables when the value of  $r$  is closed to 0. Zikmund (2013) said the correlation scale tells the strength of the relationship between the variables.

#### **3.8.4 Regression Analysis**

The influence between independent variables and dependent variable is outlined by regression analysis. The regression analysis is used in this study to examine the phenomenon where the dependent variable (employees' performance) is influenced by independent variables (training & development, compensation & benefits and work-life balance). R square value close to 1 indicated the model fits the data very well and value above 0.5 considered as significant. In this study, to identify whether the independent variables significances to dependent variable, the multiple regression analysis is used. In this study a one-tailed test is used as it assigns all the alpha to test statistical significance in one direction of interest. Therefore, it is considered when testing for a possibility of the relationship in one direction and also neglect the possibility of the relationship the other direction.

### **3.9 Chapter Summary**

This chapter explained the research methodology used for data collection, data analysis and data interpretation. The survey used questionnaire method to gather feedback from respondents. Stratified method is used as sampling technique. The pilot test for 30 respondents was conducted to check the reliability and validity. The data analyses were conducted by focusing on descriptive, reliability, correlations, and regression analysis. Results of data collection and analysis will be explained in following chapter. In the next chapter, the study described the findings of the statistical analysis.





## **CHAPTER FOUR**

### **FINDINGS**

#### **4.1 Introduction**

In this chapter, the collected data from survey were analyzed. Statistical Programs for Social Sciences (SPSS) version 25 were used to perform the analysis. The analyses include frequency which covers respondent's demographic information. The reliability analysis verified the instrument's validity and reliability, descriptive analysis determined the frequency of data, correlation analysis determined the relationship of variables and regression analysis determined the independent variables influenced dependent variables.

#### **4.2 Profile of Respondents**

Questionnaires were developed based on the instruments from previous studies and created into Google Form. The questionnaire link was shared with the managerial staffs in the Retail Store X's subsidiaries at northern region of Malaysia. From the total number of 650 managerial staffs at 3 location, 342 staffs responded and 16 was deleted because outliers were detected. However, only 326 were usable questionnaires and the response rate being 50.2%.

Majority of respondent were female 253 (77.6%) and 131 (40.2%) respondents were in the range of 25 to 35 years old. Most of the respondents are married 225 (69%). There were 221 (67.8%) respondents who have a bachelor degree as their highest academic

achievement. Most of them are Malays which represent 195 (59.8%) respondents. Besides, a total of 171 (52.4%) respondents have less than 2 years of employment and 146 (44.8%) respondents are receiving below RM 2000 as monthly income. 156 (47.8%) of the respondent are from Penang, 121 (37.2%) from Bukit Mertajam branch and 49 (15.3%) from Alor Setar branch. The demographic information are shown in Table 4.1.

Table 4.1  
*Respondents' Demographic Profile*

Demographic Profile	Category	Number of Respondents	Percentage (%)
Gender	Male	73	22.4
	Female	253	77.6
Age	<25 years old	115	35.2
	25-35 years old	131	40.2
	36-45 years old	68	20.9
	46-55 years old	12	3.7
Marital Status	Single	95	29.1
	Married	225	69
	Divorced	6	1.8
Highest Academic Achievement	SPM	17	5.2
	Diploma	83	25.5
	Bachelor Degree	221	67.8
	Master Degree	5	1.5
Ethnic Group	Malay	195	59.8
	Chinese	92	28.2
	Indian	36	11.1
	Others	3	0.9
Years of Employment in this Organization	<2 years	171	52.4
	2-5 years	124	38.1
	6-10 years	31	9.5
Monthly Income	<RM 2000	146	44.8
	RM 2001-RM 4000	138	42.3
	RM 4001-RM 6000	42	12.9
Work Location	Penang	156	47.8
	Bukit Mertajam	121	37.2
	Alor Setar	49	15.3

N=326

### 4.3 Reliability Analysis

Reliability analysis was carried out to test the stability and consistency of the instruments involved in this research. This study used the Cronbach's alpha which is the reliability coefficient to examine the internal consistency of the instruments. Sekaran & Bougie (2016) mentioned that when a coefficient is 0.70 and above is acceptable while if above 0.90 is measured has excellent reliability. Moreover, if the coefficient lower than 0.60 are weak and result between of 0.60 to 0.70 are considered moderate. However, the coefficient of 0.80 and above reported in this research. The reliability result for this research being exhibited in Table 4.2.

Table 4.2  
*Reliability Coefficients for Variables*

Variables	Number of Items	Cronbach's Alpha Value
<b>Dependent Variable</b>	15	0.94
Employees' Performance		
<b>Independent Variables</b>		
Training and Development	8	0.95
Compensation and Benefits	9	0.91
Work-Life Balance	7	0.88

From the analysis, employees' performance showed Cronbach alpha of 0.94 for the 15 items which indicated excellent internal consistency. For training and development, the Cronbach alpha of 0.95 for the 8 items, for the compensation and benefits, 9 items showed Cronbach alpha of 0.91 and work-life balance have Cronbach alpha of 0.88 for the 7 items which showed excellent internal consistency.

Appendix C showed the statistic of reliability analysis of dependent variable and independent variables that was analyzed using SPSS.

#### 4.4 Descriptive Analysis

The mean, median, standard deviation, Z-value skewness and Z-value kurtosis for dependent variable and independent variables obtained from the study is presented in Table 4.3.

Table 4.3  
*Descriptive Analysis of the Variables*

Variables	Mean	Standard Deviation	Z-value Skewness	Z-value Kurtosis
Employees' Performance	4.250	0.405	0.599	-0.354
Training and Development	4.222	0.505	-0.739	2.881
Compensation and Benefits	4.344	0.439	0.717	-1.273
Work-Life Balance	4.060	0.565	-0.644	2.352

All the items in the variables were evaluated based on five-point Likert scale. Based on the descriptive analysis, the mean for employees' performance is 4.250, training and development showed mean of 4.222, compensation and benefits represent the mean of 4.344 and work-life balance have mean of 4.060.

The standard deviation for employees' performance is 0.405. The training and development's standard deviation being 0.505, which is higher than compensation and benefits at 0.439 and lower than work-life balance at 0.565. The skewness for employees' performance is 0.599, training and development is -0.739, compensation and benefits are 0.717 and work-life balance is -0.644. For the kurtosis, employees' performance represents -0.354, training and developments represent 2.881, compensation and benefits showed -1.273 and work-life balance is 2.352. The detailed descriptive analysis are shown in Appendix D.

#### 4.5 Correlation Analysis

Pearson correlation analysis was carried out in this research to determine the relationship of the independent variables (training and development, compensation and benefits and work-life balance) and dependent variable (employees' performance). The correlation study are able to show direction of the connection or linkage, type of relationship and also level of the relationship Sekaran & Bougie (2016). In this study, the correlation analysis result for all the variables involved are shown in Table 4.4.

Table 4.4  
*Correlation Analysis of the Variables*

Variables	Employees' Performance	Training and Development	Compensation and Benefits
Training and Development	0.744**		
Compensation and Benefits	0.697**	0.763**	
Work-Life Balance	0.667**	0.798**	0.680**

\*\* $p \leq 0.01$  (2-tailed)

In Table 4.4, all the independent variables are significantly correlated with employees' performance. Compensation and benefits showed positive relationship towards employees' performance with  $r=0.697$ ,  $p<0.01$ . The work-life balance showed positive relationship towards employees' performance ( $r= 0.667$ ,  $p<0.01$ ). Training and development showed significant relationship ( $r=0.744$ ,  $p<0.01$ ) which indicate positive correlation towards employees' performance.



Therefore, training and development, compensation and benefits and work-life balance indicated positive correlation towards employees' performance. The detailed Pearson Correlation result are exhibited in Appendix E.

#### 4.6 Multiple Regression Analysis

Multiple regression analysis was done to determine the influence of independent variables on dependent variable. The multiple regression analysis helps to examine the variance caused by the independent variables towards dependent variable (Sekaran & Bougie, 2016). Moreover, multiple regression analysis has the ability to show which independent variable has the strongest effect on the dependent variable. In the Table 4.5, the multiple regression analysis result indicated that training and development, compensation and benefits and work-life balance have 35.6% ( $r^2 = 0.356$ ,  $F = 41.960$ ,  $p \leq 0.05$ ) variance related to employees' performance. It is revealed that the remaining 64.4% of the variance showed other factors which influence employees' performance. The details of regression analysis are exhibited in Appendix F.

Table 4.5  
*Multiple Regression Analysis of Variables*

Dependent Variable (Employees' performance)	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	$\beta$	Std. Error	Beta		
(Constant)	1.790	0.348		8.023	0.000
Training and Development	0.348	0.154	0.201	1.652	0.038
Compensation and Benefits	0.583	0.162	0.356	1.963	0.024
Work-life Balance	0.548	0.157	0.211	1.943	0.002
a. Dependent Variable: Employees' Performance					
$r^2 = 0.048$ , $R = 0.219$					
$F = 5.701$ $n = 326$ , $p < 0.05$					

Based on the multiple regression analysis, work-life balance indicates strong prediction toward employees' performance ( $\beta=0.548$ ,  $t=1.943$  and  $p\leq0.05$ ). In addition, training & development predict employees' performance ( $\beta= 0.348$ ,  $t= 1.652$  and  $p\leq0.05$ ) and compensation and benefits also predict employees' performance ( $\beta =0.583$ ,  $t=1.963$  and  $p<0.05$ ).

Hence, the multiple regression analysis results drive to determine the hypotheses that were developed earlier for this study. Based on the results, H1, H2 and H3 were accepted.

#### 4.7 Hypotheses Summary

The hypotheses were developed in this study. Consequently, by conducting the multiple regression analysis, the three hypotheses were developed in previous chapter were verified. Summary of results is presented in the Table 4.6.

Table 4.6  
*Summary of the Hypotheses Testing*

Hypothesis	Statement	Findings
H1	Training and development positively influence employees' performance.	Supported
H2	Compensation and benefits positively influence employees' performance.	Supported
H3	Work-life balance positively influence employees' performance.	Supported

#### 4.8 Chapter Summary

In this chapter, the analysis of results presented and the hypothesis were tested. The reliability analysis was carried out on both variables to determine the reliability of the instruments used in this research. Secondly, the mean and standard deviation of the both variables were determined by descriptive analysis. Next, the correlation analysis was conducted to study the influence between the variables. Lastly, the multiple regression analysis was done to examine the prediction of those independent variables towards dependent variable. The analyses' result showed that only all the variables influence employees' performance. Next chapter would be discussed the results, recommendation for further studies and conclusion.



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## **CHAPTER FIVE**

### **DISCUSSION, RECOMMENDATION AND CONCLUSION**

#### **5.1 Introduction**

This chapter discuss the findings and would be directed by the objectives of the study presented in Chapter One. The findings are expected to provide valuable understanding to the objectives. The implication of the study involves theoretical and practical implication. This chapter also explain the limitation of the study and provide several recommendations for future studies. Lastly, it ends with a conclusion for the overall study.

#### **5.2 Recapitulation of the Study**

The study's main aim to determine the relationship between HRM practices (training and development, compensation and benefits) and work-life balance with employees' performance. Subsequently, this study developed three hypotheses based on the previous literatures. The sample size being survey are 363 managerial staffs from the Retail Store X's subsidiaries. The instruments were created into Google Form and distributed through the WhatsApp group to the respondents. From a total of 363 managerial staffs, only 326 (50.2%) staffs were involved in the survey. The results showed training and development, and compensation and benefits and work-life balance positively influence employees' performance.

### 5.3 Discussion

The study was carried out to examine the HRM practices and work-life balance influence on the employees' performance in the retail industry. It also highlighted some important ideas that researchers and retail stores may concern. The independent variables analyzed are training and development, compensation and benefits and work-life balance while the dependent variable being employees' performance. The research objectives for this study are as follows;

- To determine the relationship between training and development and employees' performance.
- To examine the relationship between compensation and benefits and employees' performance.
- To determine the relationship between work-life balance and employees' performance.

Subsequently, the following discussion provides the findings' review on this study's research questions and comparison with past studies.

#### 5.3.1 Relationship between training and development and employees' performance.

The first objective is to determine if there are significant relationship between training and development and employees' performance in the retail industry. In examining the influence of training and development on the employees' performance; the results indicated training and development positively influenced employees' performance. This is because the findings revealed that the managerial staffs in the subsidiaries had lack of opportunities to



learn and improve knowledge to enhance their performance so they need training and development programs to enhance their knowledge and skills which could increase their performance level. The study are similar with the finding of Patro and Kumar (2018) who mentioned that suitable training and development positively influence employee's performance by increasing employees' quality, efficiency, effectiveness, knowledge, skills, abilities and experience toward their work in the organization.

The results are paralld to the studies by Jibrin, Majid, Joarder, and Ismail (2018) who found that in a Nigerian company, the employer invest in human resource practices to provide proper training and development program for employees and then determined that training and development can raises the performance and productivity of employees. Moreover, it was indicated that company's sales and profit increased when well-trained employees accomplish their work without any errors. Thus, in Retail Store X, appropriate training and development programs should be provided to the staffs to enhance their knowledges, skills, abilities and other characteristic in order to achieve their organizations goals.

This study also revealed that employees in Retail Store X agreed that training and development being worthwhile because its increase their knowledge, skills, and experience and improve their performance. This corresponds with the studies by Imran, Haque, and Rebilas (2018), who revealed that organizations plan to provide good products and services to customers always invest in training and development in order to have quality employees. This is because investment in developing employees' knowledge, skills and abilities are needed to maintain quality employees in organizations. Therefore, the management of

Retail Store X should invest more in training and development programs for employees in order to sustain their quality, skill and knowledge toward their job.

This study also established that training and development will improve the employees' performance. This concurs the findings by Mahadevan (2014) who said that training and development reduces learning cost, improve individual and organization's performance, increase quality, speed and productivity when training and development provided to employees. Thus, Retail Store X's employees can increase their competence level and enhance their skills which would enables them to increase their work quality.

### **5.3.2 Relationship between compensation and benefits and employees' performance.**

The second objective is to examine the relationship between compensation and benefits and employees' performance. The results indicate compensation and benefits positively influenced employees' performance. This is because the findings revealed that salaries, rewards, incentives and benefits received by the managerial staffs in the subsidiaries were not commensurate to their qualification and this situation made them discouraged to perform better on their job. This is the reason why their performance decline currently, thus, increase compensation and benefits could encourage them to increase their performance level. The findings are similar to Hassan (2016) who found that compensation and benefits are seen as a key factor for employee to increase their performance and influenced the employee decision to stay or quit from the job. In addition, Taib, Saludin, and Hanafi (2018) mentioned that employers provide pay based on performance to improve employees' performance because employees' performance have a significant relationship

on performance-based pay. So, in Retail Store X, employer need to offer compensation and benefits package based on employees' performance because proper compensation and benefits package could improve their motivation to work and enhance their performance.

The study indicated that compensation and benefits are important to enhance employees' performance that aligned with organization's goals. This is because organization's goals are to increase growth and performance of organization so employee performance is one of the elements to achieve these goals. If employees' performance increased, then the organization's goals could be achieved. Therefore, in order to improve employees' performance, compensation and benefits should be provided to boost up their performance and contribution level. This commensurate with the study by Khalid and Ilyas (2014) who mentioned that if the employees are appreciated for their effort and satisfied with fair compensation system, the organization will have optimized its performance and enhanced employees' performance. Therefore, by providing a proper compensation and benefits package would inspire and persuade the staffs to accomplish and contribute their skills, energy and effort to their job in order to achieve the retail stores' goals.

The findings established that compensation and benefits influence employees' performance. This is because the managerial staffs agreed that the compensation and benefits provided to them are not sufficient and does not attract them to perform well at work place. This statement being support by Darma and Supriyanto (2017) who revealed that compensation and benefits stimulated employees' attraction to perform well through rewards, incentives, bonuses, holidays and recognitions. Moreover, Chishimba (2018) found that compensation and benefits are extensively involved in motivating and boost up the employees to work more, based on his study on administrative staff in Pakistan retail

service organization. Thus, in Retail Store X, the staffs need proper compensation and benefits package that stimulate their motivation to work because if they get motivated to work then they will perform well in the stores.

Furthermore, in this study as majority of the staffs have less than 2 years of working duration in the retail stores therefore, they have limited motivation and encouragement in terms of monetary and non-monetary. Hence, they need effective rewards and incentives from the management to perform their task because they newly joined the stores so they need more encouragement to complete their work. This concurs with studies by Afroz (2018), whom stated that employees who newly join XYZ bank in Bangladesh got low pay which effect the encouragement of the employees to work. Therefore, in order to boost up the motivation of the employees, the Retail Store X's management should provide a fair compensation & benefits packages to the employees who have less 2 years of working duration.

### **5.3.3 Relationship between work-life balance and employees' performance.**

The last objective is to determine the relationship between work-life balance and employees' performance. The study revealed that managerial staffs of Retail Store X's subsidiaries agree that work-life balance positively influenced employees' performance. Thus, in this study, work-life balance is considered as factors that influence employees' performance. This is because, the work-life balance policy was relevant on a retail staff's job scope because the working time does affect their personal life since they are working in three shifts and there are over time needed if insufficient of employees. The managerial

staffs seek leisure time for their personal life and spend time with their family. This being similar with research by Ahmad and Jameel (2016) who found that work-life balance is encouraged in hospitality, retailing and airlines sectors because employees who work in those sectors need more energy and effort since they deal with final consumers, they should have stable mindset as heavy workload might upset them in handling customers and finally affect their performance. Therefore, this study revealed that it is proper to have flexibility in work hours because in retail industry, heavy workload might make the employees stress on work which would affect their performance and productivity.

Furthermore, the finding of this study are comparable to previous study by Abid & Barech (2017) because they found that in manufacturing sector, organization allow the managers to have flexi-time to get relief from doing many stressful tasks in the office. This research is being similar to Sirna (2015) study in Nairobi who conducted survey with UN Women employees, where the work-life balance positively influenced employees' performance. This is because Sirna (2015) mentioned that life include activities effect working life because personal problems such as childcare and family responsibility for women caused them into depression and could not focus on job. Laura & Villar (2014) also stated that the work-life balance concept could be related to work because employees could not use their free time to do leisure activities and settle family issue if they have more workload and shift work in sectors such as retail. In Retail Store X, the work-life balance policy being related to their job because the employees need time for their personal and family issues. It also indicated that the staffs seek for flexibility in work duration because their job are stressful and need more energy to face customer, hence the staffs always need time to have



relief their mind in order to satisfy customer needs genuinely. Therefore, work-life balance are very important in Malaysian retailing sector context.

## **5.4 Implication of the Study**

The implication of the study comprises of theoretical implication and managerial implication.

### **5.4.1 Theoretical Implication**

The study used Herzberg's Two-Factor Theory to examine the relationship of HRM practices (training and development and compensation and benefits) and work-life balance on employees' performance. Findings in the study show that employees' performance can be increased by training and development, compensation and benefits, and work-life balance in organizations. Herzberg's Two-Factor Theory could provide theoretical implication to describe the variance of training and development, compensation and benefits, and work-life balance on employee' performance.

Initially, it utilized a small sample to gain insight into the training and development, compensation and benefits, and work-life balance that influence employees' performance. However, the results cannot be generalized to other industries, even the previous Herzberg's Two-Factor Theory from previous studies met all of the relevant criteria for viability (Sheppard, 2016). This is because, there some of the results were relevant to be addressed as a complete theory or model of representing managerial level employees in

retail industry only, so in other industries and level of employees might have different perception, status and culture. Actually, another implication from the study is the Herzberg's Two-Factor Theory can be a productive outline in examining the factors which influence employee's performance in different aspects such as reducing dissatisfaction and increasing satisfaction (Laura & Villar, 2014).

This study determines to ascertain whether findings are generalizable across same samples, meaning that to what extent the aspects detected in a study which are same with the aspect detected other study which the condition is same. This study used the features from previous studies that criticize and refine elements of the Herzberg's Two-Factor Theory developed in those studies (Hassan, 2016). Several aspects tend to increase the reliability of the observation findings that discussed training and development, compensation and benefits and work-life balance. Lastly, Herzberg's Two-Factor theoretical implication justifies the reasons why employee performance depends on the type of trainings, pays and flexibility provided by organization.

#### **5.4.2 Practical Implication**

The practical implication of this study in examining the HRM practices (training and development and compensation and benefits) and work-life balance influence on employees' performance are positively high. The influence of training and development, compensation and benefits and work-life balance correlate to employees' performance and all the variables predict employees' performance. The employees, employers, retail industry and Ministry of Human Resource (MOHR) should consider the implications that

highlighted in this research and provide improvement to enhance application of employees' performance.

The study revealed that training and development influence employees' performance. Employers should invest more in training and development because the return from investment is high. This is because training and development programs would develop the skills and quality of the employees so the well-trained employees would show best performance upon their work which aligned with the employer's goals. In addition, employees should have interest in attending training programs decided by employers. In this modern era, employees should have competitive knowledge and skills to survive in the dynamic technology environment. Furthermore, in retail industry, high attention should be given to training and development in providing suitable programs to improve the KSAO of employees which in turn could increase their performance level. The MOHR are responsible to improve and maintain employees' knowledge and skills that should be aligned with their job scope. Government agency under MOHR such as Human Resources Development Fund (HDRF) reimbursed the cost of training and development programs to employers so the employers can save cost on training programs and provide more training to the employees. MOHR also can introduce and encourage new training programs to retail industry such as communication program, IT based program, leadership skill and presentation skills. Thus, in providing training and development, employees can learn more and increase their knowledge and skills to help them enhance their performance.

The study reveals that compensation and benefits influence employees' performance. This is because employees are attracted and fascinated by the pay and benefits from employers. The pay and benefits are actually based on their performance, so if employees want earn

more, they should put more effort and energy on their work. Furthermore, employers should provide fair and reasonable compensation and benefits packages to employee to improve and sustain the performance. The pay or benefits received by employees would stimulate their motivation to work in the organization and their loyalty towards organization would increase. The study revealed that compensation and benefits are important in retail industry to improve employees' performance. This is because the study shows most of the staffs seek higher pay and benefits from the retail stores in order to increase their performance level. Thus, the retail industries should implement reliable compensation system. In addition, MOHR should implement safety and security policies to provide compensation and benefits packages such as life and healthcare insurances to employees who work in retail industry. This is because the life and healthcare insurances could inspire and feel secured while working in retail industry.

The study revealed that work-life balance also influenced employees' performance. This is because the implementation of flexibility or flexi-time on working hours enables employees to balance on different roles. Therefore, employees should balance their heavy workload with their lifestyles meaning that they should utilize their free time to settle family problems and personal issues. Moreover, employer should implement the flexibility in the work place to balance employees' personal and working life. This is because working more hours would cause depression and stress to employees and this situation would affect the performance of employees. Thus, retail industry should execute flexibility policies in retail stores because retail employees are facing final customers directly so they should be in stable mind to fulfill customers need. Therefore, flexibility enables them to relief mind and happily handle the customers. Finally, MOHR should apply work-life policies in retail

industry to overcome stress and burnout problems. This is because, heavy workload might exhaust employees in the retail industries and this might cause health issues such as mental, health and heart attack. Therefore, in order to maintain healthy and happy employees, MOHR should consider work-life balance in the retail industry.

Lastly, the study could be a useful information for employees, employers, retail industry and MOHR in improving the employees' performance.

### **5.5 Limitation of the Study**

They were some limitations encountered in this study. One of the major limitations being the study focuses only on three HRM practices (training and development, compensation and benefits and work-life balance) that influence the employees' performance in retail industry at northern regions of Malaysia. The study focused on the managerial staffs as the sample from the Retail Store X's subsidiaries in northern region of Malaysia. The availability for huge population being limited due to time constraint in conducting the study.

Apart from that, questionnaire was used as the sole instrument in this study. Future studies should combine questionnaire and interviews as instrument and utilize the mixed method. However, the response could rely on the participants' honesty whereby it could lead to bias. This study only used quantitative approach to complement the findings. The study reported that the findings are reliable and there is no biasness in this study. There were many studies observed to verify job motivation, job stress and job enrichment influence



employees' performance. However, this study has described training and development, compensation and benefits and work-life balance influenced employees' performance.

Even though there are limitations but this study still provide vision on the relationship between independent variables (training and development, compensation and benefits and work-life balance) and the dependent variable (employees' performance). Hence, the findings show the importance of employees' performance in retail industries.

## **5.6 Recommendation**

Based on the findings, there are still requirements for further investigations and explorations on the aspect of employees' performance. Recommendations and suggestions are discussed to be considered for future studies.

Future studies could expand this research to part time, practical and non-managerial staffs who are working in retail industries in Malaysia. Besides another recommendation is to upsurge the group of targets such as involving part-timer staffs, internship staffs and international staffs who works in the retail industries. The reason being these aspects which influence employees' performance of the target group might be different for part-timer staffs, internship staffs and international staffs in manufacturing, engineering, hospitality, telecommunication and education sectors.

Future studies could expand the study to other regions of Malaysia. This is because the HRM practices that influence employees' performance may be different in the particular area due to their working culture, expectation, perception and cost of living. Another recommendation would be to add other relevant independent and dependent variables such

as job enrichment, job promotion, job stress, organization support, emotional intelligence and job performance for data improvement. The influence of training and development types and compensation and benefits packages on performance could be investigated in future studies. The findings could not be generalized to all managerial staff in retail industry, hence future studies should discover on selected types of training and development programs and compensation and benefits packages. Future studies should consider using other theory or model such as human capital theory to explore factors that influence job or organization performance.

Future studies could also examine the effect of moderating and mediating variables to determine the relationship with employees' performance. Future research should also discover the effect of employees' performance on organization's growth. This is in regards to managements where they should be concern about spending money efficiently to provide training programs, compensation packages and flexibility in organization.

Lastly, this study used quantitative method to collect data, so it is suggested for upcoming research to carried out studies by using mixed method which include both qualitative and quantitative methods.

## **5.7 Conclusion**

This research was carried out to examine how HRM practices and work-life balance influence employees' performance in retail industry. The objectives are to determine the relationship between training and development and employees' performance, examine the

relationship between compensation and benefits and employees' performance and determine the relationship between work-life balance and employees' performance.

In this study, quantitative method was applied and descriptive research design was used to carried out the study. Survey technique and self-administered questionnaire used as instrument to measure the variables involved in this research such as employees' performance, training and development, compensation and benefits and work-life balance. The population of the study is the managerial staffs who working in Retail Store X's subsidiaries at northern region of Malaysia. Stratified sampling method was applied for data collection as the respondent were located at Queensbay, Bukit Mertajam and Alor Setar. Thus, 326 managerial staffs were participated in this research.

The data was analyzed using SPSS version 25. Reliability analysis, descriptive analysis, correlation analysis and regression analysis were used to measure the variables. The reliability analysis used to examine whether the instruments are reliable and all the variables indicates strong reliability and validity without removing any items from the analysis. All the three variables namely training and development, compensation and benefits and work-life balance have significant and positive relationship with employees' performance. Correlation and regression analyses were used to determine the relationship between dependent and independent variables. Based on the multiple regression analysis, three hypotheses were tested and all the hypotheses were accepted.

Furthermore, there were several implications described in this study since the variables shown significant correlation towards employees' performance. For training and development, enthusiastic and passionate staffs who are intense to participate in training program has the higher ability to well-perform their job effectively by using learned

knowledge and skill from the training program. In term of compensation and benefits, management should provide a fair compensation package that related to job and level of the task. Lastly, for work-life balance, flexibility needed in working hours for retail staffs in order to have balance time between working and personal life.

However, there were limitations while conducting this research and these limitations should be considered in future researchers. Firstly, the participants for this study are other managerial staffs only due time constraint. Therefore, the result could not be generalized to other managerial staffs in Malaysian retail industry. Secondly, quantitative method was applied. It is recommended that both qualitative methods and quantitative approach could be used to complement the findings in the future.

This research was carried out to examine how training and development, compensation and benefits and work-life balance positively influence employees' performance in retail industry. The objectives are to determine the if there are significant relationship between training and development and employees' performance, examine the relationship between compensation and benefits and employees' performance and determine the relationship between work-life balance and employees' performance.

Finally, this research has successfully achieved its' research objectives namely; to determine the if there are significant relationship between training and development, compensation benefits, and work-life balance and employees' performance.



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## APPENDIX A-Questionnaire Section



**Pusat Pengajian Pengurusan  
Perniagaan**

SCHOOL OF BUSINESS MANAGEMENT

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**Universiti Utara Malaysia**

### SURVEY

Dear Respected Respondent,

I am a postgraduate student at University Utara Malaysia seeking your assistance in this survey entitle “The Influence of HRM Practices on Employees’ Performance in Retail Industry of Northern Malaysia.

The confidentiality of information given will be kept privileged and to be used only for academic purposes in order to fulfill the Master studies requirement of the university.

I realize that you are busy and thus, I have designed the survey that it should **not take you longer than fifteen minutes** to answer. Please do answer all the items in the questionnaire.

Thanking you in advance for sparing your time and support rendered in accomplishing this project.

Your sincerely,

Jananitharan Jivanathan,

Master of Human Resource Management (MHRM) Candidate,

School of Business Management,

University Utara Malaysia,

*Email: [jananitharanjivanathan@yahoo.com](mailto:jananitharanjivanathan@yahoo.com)*

## SECTION A – DEMOGRAPHIC INFO

Please tick(/) in the box provided. **CHOOSE ONLY ONE OPTION.**

**1. Gender**

☐

Male

☐

Female

**2. Age**

☐

<25 years old

☐

36-45 years old

☐

> 55 years old

☐

25-35 years old

☐

46-55 years old

**3. Marital Status**

☐

Single

☐

Divorced

☐

Married

☐

Others, specify: \_\_\_\_\_

**4. Highest Academic Achievement**

☐

SPM

☐

Bachelor Degree

☐

Others, specify: \_\_\_\_\_

☐

Diploma

☐

Master Degree

**5. Ethnic Group**

☐

Malay

☐

Chinese

☐

Indian

☐

Others, specify: \_\_\_\_\_

**6. Years of employment in this organization.**

☐

<2years

☐

6-10years

☐

2-5 years

☐

>10 years

**7. Monthly Income**

☐

<RM2000

☐

RM 4001- RM 6000

☐

>RM8000

☐

RM 2001- RM 4000

☐

RM 6001- RM 8000

**8. Work Location**

☐

Penang

☐

Bukit Mertajam

☐

AlorSetar

**SECTION B: The following are statement about HRM PRACTICES. Indicate your level of agreement on the following statements by circling the number that best relate to you, choose from 1- Strongly Disagree to 5- Strongly Agree.**

**TRAINING & DEVELOPMENT**

STRONGLY

DISAGREE



STRONGLY

AGREE

- |   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1. I have training & development opportunities to learn and improve my knowledge.   | 1 | 2 | 3 | 4 | 5 |
| 2. The management provides many training & development programs to improve my knowledge and skills.                           | 1 | 2 | 3 | 4 | 5 |
| 3. My employer encourages me to extend my abilities.  | 1 | 2 | 3 | 4 | 5 |
| 4. This organization has provided me with training opportunities which enables me to extend my range of skills and abilities. | 1 | 2 | 3 | 4 | 5 |
| 5. I get the opportunity to discuss my training and development requirements with my employer                                 | 1 | 2 | 3 | 4 | 5 |
| 6. My work pays for any work-related training and development I want to undertake.  | 1 | 2 | 3 | 4 | 5 |
| 7. The training & developments programs have improved my decision-making skills.  | 1 | 2 | 3 | 4 | 5 |
| 8. The training & development that I got meets the needs of my job scope.   | 1 | 2 | 3 | 4 | 5 |

Universiti Utara Malaysia



**COMPENSATION & BENEFITS**

STRONGLY

STRONGLY

DISAGREE

AGREE

- |   | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. I am satisfied with my current salary.   | 1 | 2 | 3 | 4 | 5 |
| 2. I am satisfied with the amount the company pays for my benefits.               | 1 | 2 | 3 | 4 | 5 |
| 3. I am satisfied with the management pay structure.                              | 1 | 2 | 3 | 4 | 5 |
| 4. I am satisfied with the raises I have received in the past                     | 1 | 2 | 3 | 4 | 5 |
| 5. I am satisfied with my benefit package.  | 1 | 2 | 3 | 4 | 5 |
| 6. I feel compensation & benefits could increase my motivation while working.     | 1 | 2 | 3 | 4 | 5 |
| 7. I think compensation & benefits should be based on the employee's performance. | 1 | 2 | 3 | 4 | 5 |
| 8. My manager knows the additional effort that I put on my job.                   | 1 | 2 | 3 | 4 | 5 |
| 9. My performance evaluation impact the pay increment.                            | 1 | 2 | 3 | 4 | 5 |

**WORK-LIFE BALANCE**

STRONGLY

STRONGLY

DISAGREE

AGREE

- |   | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. I prefer work-life balance such as flexibility rather than fixed working hours.  | 1 | 2 | 3 | 4 | 5 |
| 2. Managers allow generally enough time for the completion of projects so that employee can do good quality work with limited stress. | 1 | 2 | 3 | 4 | 5 |
| 3. My work schedule is not in conflict with my personal life.   | 1 | 2 | 3 | 4 | 5 |
| 4. My job does not affect my role as a spouse, a son, a daughter and/or a parent.   | 1 | 2 | 3 | 4 | 5 |
| 5. Work- life balance encourage me to be more efficient.  | 1 | 2 | 3 | 4 | 5 |
| 6. I believe work-life balance could provide a relaxing working environment.  | 1 | 2 | 3 | 4 | 5 |
| 7. I wish to have flexibility in work so that I can have balance in my working and personal life.                                     | 1 | 2 | 3 | 4 | 5 |



**SECTION C: The following are statement about EMPLOYEES' PERFORMANCE. Circle the number that best relate to you, choose from 1- Strongly Disagree to 5- Strongly Agree.**

EMPLOYEES' PERFORMANCE	STRONGLY DISAGREE					STRONGLY AGREE				
	1	2	3	4	5	1	2	3	4	5
1. I always completed work in timely and effective manner.	1	2	3	4	5	1	2	3	4	5
2. I always performed high quality work.	1	2	3	4	5	1	2	3	4	5
3. I perform task that the are expected of me.	1	2	3	4	5	1	2	3	4	5
4. I meet performance requirement of my job.	1	2	3	4	5	1	2	3	4	5
5. I engage in activities that will affect my performance evaluation.	1	2	3	4	5	1	2	3	4	5
6. I complete my job accurately and timely to achieve the work objective.	1	2	3	4	5	1	2	3	4	5
7. I meet work hours schedule and attendance expectations.	1	2	3	4	5	1	2	3	4	5
8. I able to identify, analyze problems and find solution for it.	1	2	3	4	5	1	2	3	4	5
9. I deal confidently and efficiently with top management and colleagues.	1	2	3	4	5	1	2	3	4	5
10. I demonstrate necessary knowledge and skills to perform the job effectively.	1	2	3	4	5	1	2	3	4	5
11. I establish my job objectives with regard to the department and company goals.	1	2	3	4	5	1	2	3	4	5
12. I am capable of completing my task within the time frame.	1	2	3	4	5	1	2	3	4	5
13. I volunteer to complete extra tasks.	1	2	3	4	5	1	2	3	4	5
14. I complete works according to management goals.	1	2	3	4	5	1	2	3	4	5
15. I complete duties according to procedures.	1	2	3	4	5	1	2	3	4	5

**THANK YOU FOR YOUR TIME AND COOPERATION.**

## APPENDIX B – Frequencies Distribution of Respondent's Profile

### GENDER

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	73	22.4	22.4	22.4
	Female	253	77.6	77.6	100.0
	Total	326	100.0	100.0	

### AGE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 25 years old	115	35.2	35.2	35.2
	25-35 years old	131	40.2	40.2	75.4
	36-45 years old	68	20.9	20.9	96.3
	46-55 years old	12	3.7	3.7	100.0
	Total	326	100.0	100.0	

### MARITAL STATUS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	95	29.1	29.1	29.1
	Married	225	69.0	69.0	98.1
	Divorced	6	1.8	1.8	100.0
	Total	326	100.0	100.0	

### HIGHEST ACADEMIC ACHIEVEMENT

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SPM	17	5.2	5.2	5.2
	Diploma	83	25.5	25.5	30.7
	Bachelor Degree	221	67.8	67.8	98.5
	Master Degree	5	1.5	1.5	100.0
	Total	326	100.0	100.0	

### ETHNIC GROUP

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	195	59.8	59.8	59.8
	Chinese	92	28.2	28.2	88.0
	Indian	36	11.1	11.1	99.1
	Others	3	.9	.9	100.0
	Total	326	100.0	100.0	

### YEARS OF EMPLOYMENT IN THIS ORGANIZATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<2 years	171	52.4	52.4	52.4
	2-5 years	124	38.1	38.1	90.5
	6-10 years	31	9.5	9.5	100.0
	Total	326	100.0	100.0	

### MONTHLY INCOME

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<RM2000	146	44.8	44.8	44.8
	RM 2001-RM 4000	138	42.3	42.3	87.1
	RM 4001- RM 6000	42	12.9	12.9	100.0
	Total	326	100.0	100.0	

### WORK LOCATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Penang	156	47.8	47.8	46.5
	Bukit Mertajam	121	37.1	37.1	84.9
	Alor Setar	49	15.1	15.1	100.0
	Total	326	100.0	100.0	

## APPENDIX C – Reliability Analysis

### Scale: Employees' Performance

#### Reliability Statistics

Cronbach's Alpha	N of Items
.942	15

### Scale: Training & Development

#### Reliability Statistics

Cronbach's Alpha	N of Items
.951	8

### Scale: Compensation & Benefits

#### Reliability Statistics

Cronbach's Alpha	N of Items
.916	9

### Scale: Work-Life Balance

#### Reliability Statistics

Cronbach's Alpha	N of Items
.887	7



## APPENDIX D – Descriptive Analysis

Statistics		EP	TD	CB	WB
N	Valid	326	326	326	326
	Missing	0	0	0	0
Mean		4.250	4.222	4.344	4.060
Std. Deviation		.4065	.5051	.4391	.5649
Skewness		.0599	-.739	.712	-.644
Std. Error of Skewness		.336	.336	.336	.336
Kurtosis		-.354	2.881	-1.273	2.352
Std. Error of Kurtosis		.663	.663	.663	.663
Minimum		3.40	2..30	3.50	2.00
Maximum		5.00	5.00	5.00	5.00

## APPENDIX E – Correlation Analysis

Correlations		EP	TD	CB	WB
EP	Pearson Correlation	1	.774**	.697**	.667**
	Sig. (2-tailed)		.000	.000	.000
	N	326	326	326	326
TD	Pearson Correlation	.774**	1	.763**	.798**
	Sig. (2-tailed)	.000		.000	.000
	N	326	326	326	326
CB	Pearson Correlation	.697**	.763**	1	.680**
	Sig. (2-tailed)	.000	.000		.000
	N	326	326	326	326
WB	Pearson Correlation	.667**	.798**	.680**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	326	326	326	326

\*\*, Correlation is significant at the 0.01 level (2-tailed).



## APPENDIX F – Multiple Regression Analysis

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.790	.348		8.023	.000
	TD	.348	.154	.201	1.652	.038
	CB	.583	.162	.356	1.963	.024
	WB	.548	.157	.211	1.943	.002

a. Dependent Variable: EP

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	36.787	3	4.598	41.960	.000 <sup>b</sup>
	Residual	22.843	339	.050		
	Total	59.629	325			

a. Dependent Variable: EP

b. Predictors: (Constant), WB, TD, CB

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.589 <sup>a</sup>	.356	.606	.52852

a. Predictors: (Constant), WB, TD, CB

b. Dependent Variable: EP